



FINAL BUDGET OUTCOME

2020

Acronyms

ABG	Autonomous Bougainville Government
ADB	Asian Development Bank
BPNG	Bank of Papua New Guinea
CSA	Commercial and Statutory Authority
DNPM	Department of National Planning and Monitoring
DSIP	District Support Improvement Program
FAA	Final Available Appropriation
FBO	Final Budget Outcome
GDP	Gross Domestic Product
GFS	Government Financial Statistics
GoPNG	Government of Papua New Guinea
GST	Goods & Services Tax
ICT	Information and Communications Technology
IMF	International Monetary Fund
IFMS	Integrated Financial Management System
IPBC	Independent Public Business Corporation
IRC	Internal Revenue Commission
LNG	Liquefied Natural Gas
MTDP	Medium Term Development Plan (2018-2022)
MTFS	Medium Term Fiscal Strategy (2018-2022)
MTRS	Medium Term Revenue Strategy (2018-2022)
MYEFO	Mid-Year Economic and Fiscal Outlook
NEC	National Executive Council
NPCP	National Petroleum Company of PNG
NSL	Nambawan Super Limited
OSPEAC	Organisational Staffing and Personnel Emoluments Audit Committee
PE	Personal Emoluments
PIP	Public Investment Program
PNGDSP	Papua New Guinea Development Strategic Plan
REVISED BUDGET	Budget estimates after Transfers
RMF	Results Monitoring Framework
SIGTAS	Standard Integrated Government Tax Administration System
SOE	State Owned Enterprise
SUPPLEMENTARY BUDGET	Supplementary Budget as passed in Parliament
UBSA	Umbrella Benefits Sharing Agreement
WPA	Waigani Public Account

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FOREWORD:

On behalf of the Marape Government, I am honoured to present to you the 2020 Final Budget Outcome Report of the Department of Treasury.

I don't think I need to reiterate here just how difficult this year has been for our citizens, and indeed the entire globe. In late February of 2020, as early as that, I had convened a meeting of Papua New Guinea's top most economic advisors, departmental secretaries and international stakeholders, to estimate what the impact of this Pandemic might be on us and how, as Treasurer, I can contribute to creating a national response under the leadership of our Prime Minister, James Marape. While the National Office of the Controller (NOC) was created and worked tirelessly to prevent the transmission of the COVID-19 virus into the country and avoid a health crisis, we at the Department of Treasury, put a multi sector response plan in place, to mitigate the economic crisis that we knew was unavoidable.

The NOC (and indeed here I must thank the entire country), did a splendid job in preventing a wide scale outbreak of the virus with early lockdown measures, preventative health policy and habits (such as use of masks and social distancing) for the rest of the year. Our citizens were quick to adopt the advisories put out by the Government. A health disaster was avoided. Consequently, the economic impact of the health crisis remained within our initial estimates for 2020.

We had predicted the impact on Government revenue to be over K2.0 billion, and in the final outcome we were able to restrict the revenue shortfall to that much, although we had estimated a more severe contraction in revenue at the time of the 2020 Mid-Year Economic and Fiscal Outlook (MYEFO) report. It was better to err on the side of caution. Our income tax collection remained robust, as did taxes from international trade. What was more heartening was the better than expected contribution of personal income taxes by the citizens of this country, in these testing times, and for that I once again thank the public of Papua New Guinea. Our donor counterparts were also generous as ever in providing us critical support. This Government, however, has been disappointed by the contribution of the State-Owned Enterprises (SOEs), and the decision of the Supreme Court to nullify the Public Monies Management Regularisation (PMMR) Act. Our grand total revenue collection was K12,093.3 million, 3.6 per cent above our previous estimate from the 2020 MYEFO.

In 2020, naturally, we had to cater for new and emergency expenditures. The pandemic not only increased the burden of the Government to support those who depend on it, but also put pressure on making these funds available early. As a result, an initial Budget allocation of K600.0 million, within a wider economic package of K5.7 billion, was re-appropriated from other non-essential expenditures. Later the Government adjusted expenditures of K2,295.5 million and re-appropriated K1,557.5 million (including the initial K600.0 million) towards priority emergency expenditures. These include special provisions for COVID-19 emergency funding and boosting provincial economic spending to support SMEs. Our aim, with the Supplementary Budget, was to reposition those items on the expenditure that could be deferred to a later date and allocate funding to more pressing concerns.

The final outcome of expenditure in 2020 is K19,397.8 million. Besides an increase in support by our international partners in the form of grants and concessional loans, this represents K713.0 million higher expenditure than what was catered for in the 2020 Supplementary Budget. The full details of the expenditure are clearly described in this report, which I invite you to scrutinize. Naturally, the COVID-19 expenditures, along with fiscal spending on the stimulus distributed through National Agencies and Provincial Governments makes the bulk of the over spending. We also slightly overspent on personnel emoluments, contrary to our plan of initiating savings in this space. But I believe, and the world would agree, that this is hardly the time to be reducing public service strength in health

and security. The NOC asked us for more health workers and security personnel and we made provisions for that.

As a result, our fiscal deficit this year has increased to K7,304.4 million, estimated to be 8.9 per cent of GDP. This is inevitable outcome given the circumstance to avoid catastrophic health and economic damage. While this may argued differently as it adds to our stock of debt, it is in my view a responsible and prudent measure. Once the pandemic is over, we will put in place a plan to reduce this debt and bring our public finances back in position to support long term economic development. For the moment, I acknowledge that public financial management requires careful balancing, which this Government has been doing through weekly Budget Management Committee (BMC) meetings, chaired by me.

The main reason, that the government has been able to manage its financing of the deficit, is the invaluable support of our international partners. I want to thank the Government of Australia through their Department for Foreign Affairs and Trade for providing us with emergency financing last year and again this year which we used towards our health response; the Asian Development Bank that also financed health spending, SOE reforms and provided emergency operational funds under a special purpose financing option made available in swift time; and the International Monetary Fund (IMF) for providing us with the Rapid Credit Facility (RCF) as early as June and with the Staff Monitored Program (SMP) that has supported our credit worthiness linked to our own reforms. We also increased our drawdowns of concessional financing for projects to increase spending in the economy.

This was complimented with domestic financing, backed by a liquidity operation of the Central Bank. I was heartened to see that the Treasury COVID-19 Bonds were over-subscribed indicating both the credit worthiness of the Government and strong support of the PNG financial sector to the domestic economy. In the end we managed to finance all of our intended expenditure plans, and without taking a single commercial loan.

I invite you to view the full details of the public expenditure outcome for 2020 in this report. I re-affirm that despite the adverse outcomes on some fiscal measures, this Government has maintained some space in public finance to absorb a second breakout till we are able to vaccinate all our citizens. Thereafter, the 2021 National Budget will give you an indication of how we plan to bring public finances back on track to re-capitalise the country for long term economic development. This Government values transparency, and with that in mind, this report will show you where are at present and not what we want it to be.

Finally, after a challenging year, I must provide my sincere appreciation to the officers of my department, The Treasury, who have worked with my team of advisors to maintain the integrity of public finances and bring to you regular reports, the 2021 National Budget and this Final Budget Outcome document. These are the officers who make available funding for critical services, while maintain compliance with the public financial management laws of this country. That is a bigger task than is commonly appreciated. I also thank my team of advisors for their valuable suggestions to navigate the economic policies of responding the Pandemic. I also thank the associated Ministers and Officers of the Department of Finance, Department of National Planning and Monitoring and all other government departments who supported the release of this report.

My fellow citizens, I give you, the Final Budget Outcome of the Government of Papua New Guinea for 2020, the year of 'The Global Lockdown'.

HON. IAN LING-STUCKEY, CMG, MP



INTRODUCTION

The Final Budget Outcome (FBO) Report sets out the annual fiscal outcome and provides details of revenue and grants, expenditure and net lending and the financing activities for each financial year. The FBO Report is released no later than three months after end of financial year, in accordance with the requirements of sections 13 – 16 of the Papua New Guinea *Fiscal Responsibility Act 2006 (FRA)*.

The purpose of the 2020 FBO Report is to:

- provide the final fiscal outcomes against the 2020 Budget and the subsequent 2020 Supplementary Budget;
- provide a comparative analysis of the 2020 outcomes for Total Revenue and Grants, Total Expenditure and Net Lending, Financing and the Budget Balance against the 2020 Supplementary Budget estimates; and
- provide explanations of significant variances in outcomes compared to the Supplementary Budget estimates as well as previous years' actuals.

The 2020 FBO uses the updated and or latest statistics. This includes statistics collected from Internal Revenue Commission (IRC), PNG Customs, and the Department of Finance on Other Revenues (Non-Tax) and Donor Grants from the Department of National Planning and Monitoring as at 31st December, 2020.

The financial information presented in this report is based on the same reporting standards as used in the 2020 Budget Volume 1 documents. Part 1 of this report, *Final Budget Outcome by Fiscal Operations*, is reported using the new GFS 2014 reporting framework as introduced in the 2016 Budget Volume 1, Economic and Development Policies document and subsequent budget documents. Part 2 of this report, *Final Budget Outcome by Agency*, is still reported using the GFS 1986 reporting framework as reported in the 2020 Budget Volume 2 document. This is transitional as the migration to the updated GFS 2014 reporting framework is still ongoing.

Generally, the information presented in this report follows the traditional cash reporting standards originally laid down in the GFS 1986 Manual.

The General Government sector under GFSM 2014 consists of all government units, representing budgetary central government, provincial government, local government and extra budgetary accounts within the country that are controlled and largely financed by the National Government. In contrast, the coverage of the GFSM 1986 system was defined on a narrower functional basis to include few units performing government functions.

The current GFS 2014 coverage includes Budgetary Fiscal Transactions of the Government. The ongoing roll-out currently covers the budgetary units but will eventually be extended to cover extra-budgetary units such as statutory bodies and public corporations (SOEs). Work is underway to have Volume 2 of the Budget document reported in the GFS 2014 reporting framework. Once this is done, future FBO reports will fully reflect the GFS 2014 reporting framework.

Section 1.8 of this report provides a clear explanation to the changes between GFSM 1986 and GFSM 2014.

Furthermore, 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, such as when reports are received from all donors on projects grants, and more reporting is provided on the Infrastructure Tax Credit (ITC).

PART 1

FINAL BUDGET OUTCOME BY FISCAL OPERATIONS

1.1 General Government Fiscal Operations

Total Revenue and Grants receipts in 2020 amounted to K12,093.3 million, higher by K734.3 million or 6.5 per cent compared to the 2020 Supplementary Budget's estimate of K11,359.1 million. This is a positive outcome which softened significant impact of COVID-19 pandemic on the revenue estimates as earlier projected. The increase reflects higher collection in Personal Income Tax (PIT) (up by K209.3 million), and Interest Withholding Tax (IWT) (up by K129.9 million), Dividends (up by K218.5 million), and drawdown of grants from development partners (up by K492.2 million). However, compared to the 2019 actuals, total revenue and grants is lower by K1,587.2 million or 11.6 per cent.

Total Expenditure and Net Lending in 2020 amounted to K19,397.8 million, higher by K1,408.5 million or 7.8 per cent compared to the 2020 Supplementary Budget estimates of K17,989.3 million. Compared to the 2019 actuals, total expenditure and net lending is higher by K1,545.3 million or 8.7 per cent.

The Final Budget Outcome report for 2020 presents a budget deficit of K7,304.4 million or 8.9 per cent of GDP. This is higher by K674.3 million or 10.2 per cent when compared to the 2020 Supplementary Budget estimate of K6,630.1 million or 8.1 per cent of GDP.

Table 1: Budget Balance 2019 – 2020 (Kina Million)

	2019 Actuals	2020 Budget	2020 Supp. Budget	2020 Outcome
Revenue and Grants	13,680.5	14,095.5	11,359.1	12,093.3
Expenditure and Net Lending	17,852.5	18,726.5	17,989.2	19,397.8
Budget Balance	-4,172.0	-4,631.1	-6,630.1	-7,304.4
% of GDP	-5.0%	-5.0%	-8.1%	-8.9%
Debt Stock	33,666.9	37,185.0	39,851.5	40,168.4
Debt to GDP (%)	40.0%	40.3%	48.9%	49.2%
Non-resource primary balance (% of non-resource GDP)	-5.5%	-5.8%	-8.2%	-9.4%

Source: Department of Treasury

Actual net incurrence of liabilities for 2020 was K6,501.5 million with the balance of K802.9 million sourced from the 2019 borrowings retained in the trust accounts (EFA Loan and the ADB Budget Support)¹ drawn to support expenditures in 2020, as well as paying down of cheque floats carried over from 2019. These drawdowns resulted in a debt to GDP ratio of 49.2 per cent, slightly higher than the 2020 Supplementary Budget estimated ratio of 48.9 per cent. However, debt nevertheless remain below the amended FRA statutory debt limit of 60.0 per cent of GDP.

In terms of financing structures, there was a slight compositional shift between external and domestic debt. External debt as share of total public debt has increased from 42.6 per cent (17.0 per cent of GDP) at end of 2019 to 44.7 per cent of the total debt (22.0 per cent of GDP). On the other hand, domestic debt as a share of total public debt has decreased from 57.4 per cent (23.0 per cent of GDP) down to 55.3 per cent (27.2 per cent of GDP). The

¹ 2019 retained borrowings: K1,340.4m (comprises ADB K1,021.4m, Aussie budget support K319m), 2019 Cheque floats paid totaled K741.7m, the balance from it was expended in 2020 appropriation.

compositional shift towards more low cost concessionary financing and longer duration domestic debt is targeted over the medium term in line with the revised medium term debt strategy (MTdS), although the COVID-19 impact may delay the targeted shift.

The non-resource primary balance as a share of non-resource GDP was 9.4 per cent which was slightly above the 2020 Supplementary Budget estimates of 8.4 per cent. This substantial deterioration in the non-resource primary balance was due to the higher deficit outcome (which increased the primary balance) and the effect of a lower non-resource nominal GDP estimate driven largely by depressed non-resource commodity prices resulting from the impact of COVID-19 pandemic preventive measures employed both globally and domestically.

The external extraordinary financing in 2020 included disbursements from the third tranche of the ADB Budget Support loan of US\$150.0 million (K528.2 million), ADB-SOE Reform Loan of US\$100.0 million (K350.9 million), and the COVID-19 Pandemic Response Option Program US\$250.0 million (K877.2 million). The IMF Rapid Credit Facility (RCF), a concessional interest free budget support of US\$363.3 million (K1,258.3 million) acquired in mid-year and additional budget support financing of US\$400.0 million (K1,383.4 million) from the Australian Government obtained at the end of 2020. Concessional loan drawdowns was also high in 2020 with an outcome of K1,567.8 million, reflecting predominately-higher drawdowns from ADB loan-funded projects. Excluding concessionary project financing, the total contribution of the new external borrowing in 2020 amounted to K4,414.2 million (K4,396.1 million in external extraordinary financing and K18.1 million from external commercial financing).

Apart from financing the budget and the projects, the external financing provided liquidity and much-needed foreign exchange that has allowed the Government to reduce some of the burgeoning foreign exchange imbalance that has been affecting the business community in recent years.

The higher deficit outcome reflected the Marape-Basil Government's commitment towards fulfilling its social priority spending commitments, including the payment of SIPs, payment of verified arrears particularly on DOW contracts, PNG Connect, Free Primary Health Care (medical drugs), Government Tuition Subside (GTS), and 2019 3.0 per cent CPI pay increment. Higher deficit outcome for 2020 also reflects the Government's spending towards its COVID-19 pandemic response program under the wider Economic Stimulus Program.

Concessional loan drawdown outcome is K1,567.8 million, K202.8 million or 14.9 per cent above the 2020 Supplementary Budget estimate of K1,365.0 million. This is mainly attributed to increased disbursements from bilateral and multilateral loan programs and thereby increased the capital investment budget.

The main infrastructure programs around the country funded under the concessional loan drawdowns are:

- PNG National Submarine Fibre Cable Network; PNG National Power Grid (Mt. Hagen, Mendi, Tari); Keltiga Junction to Kagamuga Airport 4-Lane Highway Reconstruction and Upgrade; and Construction of New Enga Provincial Hospital Project. These are funded by the Exim Bank of China;
- Nadzab Airport Redevelopment Project and Ramu Transmission System Reinforcements Project are funded by the Japanese Government (JICA); and
- Road Maintenance & Rehabilitation Project is funded by the World Bank.

The increase in disbursements reflects the Government's intention to quickly drawdown on the undisbursed loan balance. The higher drawdown also reflects the Government's

commitment to stimulate economic activity and growth in light of the depressed economy brought about by the COVID-19 pandemic.

1.1.1 2020 Supplementary Budget

The impact of the COVID-19 placed an enormous pressure on the Government, in terms of implementing its 2020 expenditure plans. In line with the 2020 MYEFO Report, the Marape-Basil Government introduced the 2020 Supplementary Budget. The 2020 Supplementary Budget approved an expenditure envelope of K17,989.4 million, against a revenue envelope of K11,359.1 million, resulting in a revised budget deficit of K6,630.2 million.

The Supplementary Budget approved a total reduction in appropriation of K2,295.5 million: K1,557.5 million under operational; and K738.0 million under capital appropriations, of which, K1,558.5 million was reappropriated back to operational budget (K711.0 million) and capital budget (K847.0 million). Hence, the net 2020 Supplementary Budget cut was K737.2 million, mostly from the operational component.

The Government introduced a number of key legislative amendments as part of the Supplementary Budget to enable the Government to execute its recovery strategy. These included amendments to the *Fiscal Responsibility Act 2006*, the *Central Banking Act 2000* and the *Superannuation (General Provision) Act 2000*.

The *Fiscal Responsibility (Amendment) Act 2020*, moved the upper limit of the Debt to GDP ratio to 60.0 per cent for a period of five (5) years commencing from the year of amendment, with targets set to return debt ratios to below 40.0 per cent in 10 years from the year of amendment. The adjustment was necessary to accommodate temporary fiscal imbalances caused by the external economic shocks driven by the COVID-19 pandemic.

The *Central Banking (Amendment) Act 2020* lifted the Temporary Advance Facility (TAF) limit to a level based on a 12.0 per cent moving average of total revenue and grants of the immediate prior three (3) years. The amendments also increased the repayment period to twelve (12) months from the previous length of six (6) months. The newly amended TAF limit was effected by the Governor of the Bank of PNG on 4th November 2020 with an available advance of up to K1.5 billion and repayment term of one year from drawdowns. This was necessary to address the ongoing cash-flow mismatch issues which ensured delivery of pressing priority expenditures and as buffer to delays in financing.

TAF is focused on within a year cash management, and such a transitional period is on foot to realise this intent. At this stage, the intent is to have the facility available from the start of the fiscal year. It would be repaid in full by the end of the fiscal year (and earlier depending on the timing of revenue and other forms of budget financing).

The *Superannuation General Provision (Amendment) Act 2020* provides for one-off voluntary early withdrawal of a member's own superannuation contributions as part of the Economic Stimulus Package. This amendment enables members whose employment was terminated as a result of the impact of COVID-19 to access their retirement contributions to sustain themselves and their families during this crisis.

Table 2: 2020 Supplementary Budget (Kina, million)

Details	2020 Budget	2020 Pre-cuts	2020 Supp. Budget
Total Revenue and Grants	14,095.4	11,359.1	11,359.1
Total Expenditure and Net Lending	18,726.5	18,726.5	17,989.3
Net Lending (+)/Net Borrowing (-)	-4,631.1	-7,367.4	-6,630.2
% of GDP	-5.0	-9.0	-8.1

Source: Department of Treasury

The re-appropriation of K1,558.5 million in expenditure was mainly to support the Government's containment efforts in fighting the COVID-19 pandemic. Funds were also made available to fight COVID-19 at district and provincial levels.

Further, the 2020 Supplementary Budget reallocated and maintained the following key Government priorities:

- K200.0 million for SME programs;
- K888.0 million for SIPs²;
- K140.0 million for Special Intervention Program;
- K486.4 million for Education subsidies (GTF subsidy & HELP);
- K300.0 million for programs under the 'Connect PNG' agenda;
- K110.0 million for Rural Infrastructure Program; and
- K604.0 million for Provincial functional grants.

An allowance of K90.0 million was made for likely overrun in Compensation of Employees (CoE). Also, an additional K30.0 million was re-appropriated towards the Department of Justice & Attorney General for Judiciary Infrastructure (Waigani Court House complex).

1.2 Revenue

1.2.1 Total Revenue and Grants

Total Revenue and Grants for 2020 totalled K12,093.3 million, K734.3 million or 6.5 per cent higher than the 2020 Supplementary Budget estimate of K11,359.1 million. However, the 2020 outcome is K1,587.2 million or 11.6 per cent lower than the total revenue and grants collected in 2019.

Excluding donor grants, domestic revenue was K10,668.3 million, higher by K241.4 million or 2.3 per cent against the Supplementary Budget estimates. Driving the higher domestic revenue outcome were higher than expected collections in Personnel Income Tax (PIT), Resource Dividend receipts and Withholding Taxes supported by improved GST and mining & petroleum tax (MPT) collection in the last quarter.

The total Revenue and Grants of K12,093.3 million comprises of K9,802.2 million in Tax Revenue, K866.1 million in Other Revenue and K1,425.0 million from Donor Grants.

The total Tax Revenue recorded an increase of K155.0 million or 1.6 per cent higher than the 2020 Supplementary Budget estimate of K9,647.2 million. This reflects higher collections in mainly PIT, MPT, Withholding Taxes, Import Duty and GST.

Of the K9,802.2 million, the Internal Revenue Commission (IRC) collected K7,963.6 million, K296.6 million or 3.8 per cent higher than the Supplementary Budget estimate. PNG Customs collected K1,838.2 million, lower by K139.0 million or 7.0 per cent against the supplementary Budget estimate. The minor balance of K0.4 million is from tax group "Taxes on use of goods and on permission to use goods or perform activities"³, which is K2.5 million lower than the supplementary estimate.

² K712.0m for DSIP and K176.0m for PSIP. Of the initial appropriation of K1.1bn, K222.0m was cut and re-appropriated towards COVID-19 support at districts and provincial levels.

³ Taxes on use of goods and on permission to use goods or perform activities is taxes as classified by the GFS 2014. This comprise of Motor Vehicle Registration, Commercial Vehicle Licences etc. which are collected by Department of Finance.

Compared to 2019 actuals, the 2020 tax revenue outcome was K1,115.9 million or 10.2 per cent lower. The taxes that ended lower in 2020 compared to the 2019 were mainly CIT, MPT, Royalty and Management Tax, GST, Gaming Machine Tax, Departure Tax, Stamp Duty, Inland Excise, Import Duty and Import Excise, although Export Tax has slightly improved against the 2019 actuals. Compared to the 2019 actuals, collections from IRC was lower by K782.6 million or 9.8 per cent while Custom's collections was also lower by K331.1 million or 18.0 per cent.

Other Revenues (Non-Tax revenue) totalled K866.1 million, higher by K86.4 million or 11.1 per cent against the Supplementary Budget estimate of K779.8 million. This was mainly attributed to the higher than expected Mining and Petroleum Dividend receipts. Dividend receipts totalled K718.5 million, higher by K218.5 million or 43.7 per cent against the Supplementary Budget estimate of K500.0 million. This reflects the higher than expected dividend payment by the OK Tedi Mine Ltd.

Collections from Statutory Authorities or formerly PMMR receipts totalled K85.0 million, lower by K120.0 million compared to the Supplementary Budget estimate. This revenue head was significantly impacted by the Supreme Courts nullification of the *PMMR Act* in mid-2020. Fees and Charges totalled K62.6 million, lower by K15.0 million compared to the Supplementary Budget estimate of K80.8 million.

Donor Grants totalled K1,425.0 million, higher by K492.9 million or 52.9 per cent against the Supplementary Budget estimate of K932.1 million. This significant increase is largely associated with Donors assistance toward the Government's preventive and containments measures of the COVID-19 pandemic as well as contributions towards PNG's development aspirations.

Table 3: Total Revenue and Grants (Kina, Million)

	2019 Actual	2020 Supp. Budget	2020 Outcome
Tax Revenue	10,918.1	9,647.2	9,802.1
Donor Grants	1,775.6	932.1	1425.0
Other Revenue	986.8	779.8	866.2
Total Revenue	13,680.4	11,359.1	12,093.3

Source: Department of Treasury

**Total Revenue and Grants outcome is reported under the 2014 GFS reporting.*

1.2.2 Tax Revenue

Taxes on Income, Profits and Capital Gains (TIPCG)

Taxes on Income, Profit and Capital Gains (TIPCG) amounted to K5,668.7 million, higher than the 2020 Supplementary Budget estimate by K198.2 million or 3.6 per cent. However, it is lower by K401.7 million or 6.6 per cent compared to the 2019 actuals.

The higher outcome in the TIPCG tax category mainly reflected the higher than expected increases in PIT, Interest Withholding Tax (IWT), Dividend Withholding Tax (DWT) and MPT receipts. Though some of these are still performing below 2019 levels.

The PIT outcome of K3,517.3 million represents an increase of K209.3 million or 6.3 per cent above the Supplementary Budget estimate, and is also above the 2019 actuals by K305.7 million or 9.5 per cent. PIT collections remained strong throughout 2020 regardless of the COVID-19 restrictions and related economic impediments to businesses and workflow. The constant increase was mainly due to IRC's decision in October 2019 to disallow GST

credit offsets against PIT liabilities as one of its compliance initiatives to improve revenue collections.

In addition, the taxable income category of the workforce was not directly affected by the COVID-19 lockdowns and layoffs as most of the taxable working population are engaged in sectors and industries with less contact intensive working environment, which gave most companies confidence to maintain their workforce. However, the affected working population were those who engaged in labour (contact) intensive sectors and are in the tax-free threshold bracket of which, the impact of the lay-offs were not recognised in PIT collections. Furthermore, salary wages tax impact from the shutdown of Porgera mine and related mine workforce layoffs was cushioned by payment of severance package by Barrick.

Tax receipts from corporate incomes in 2020 has fallen drastically as it continued the low performance experienced in 2019. In 2020, CIT receipts amounted to K1,554.2 million, which is lower by K94.4 million, or 5.7 per cent compared to the Supplementary Budget estimate, while lower by K142.7 million or 8.4 per cent compared to the 2019 actuals. This downward trend indicates the adverse impacts of the COVID-19 pandemic on business profitability as profit were squeezed given the weeks long restrictions to business operations. Tax administration measures were re-adjusted to provide temporary cash flow relief to affected businesses through delayed CIT filling.

Furthermore, IRC's compliance activities were restricted to undertake desk audits which limited implementation of compliance measures to generate additional revenues.

MPT receipts in 2020 amounted to K183.4 million, K22.3 million or 13.8 per cent above the Supplementary Budget estimate of K161.1 million, however historically below the 2019 actual by K577.3 million or 75.9 per cent. MPT collections have performed poorly during the year due to decline in oil and gas prices since April 2020. In addition, the closure of resource companies such as Porgera mine due to licencing issues and the Ok Tedi mine due to the COVID-19 pandemic aggravated the decline in collections. Since the MPT is mostly concentrated on resource companies in the oil and gas sector, the main cause of the decline in collections was the fall in global demand and prices of oil and gas due to the COVID-19 restrictions and closure of businesses, thus, affecting consumption and supply of oil and gas globally.

DWT increased by K44.9 million or 26.3 per cent to K215.9 million against the Supplementary Budget estimate. Additionally, DWT recorded a 0.4 per cent increase in 2020 compared to 2019 actuals as easing of foreign exchange limitations in early 2019 allowed companies in the manufacturing, wholesale and retail and finance sectors were able to repatriate much of the dividends thus remitting most of the collections to IRC in 2020. IWT increased by 5.4 per cent from previous year indicating strong growth in interest income earned, reflecting the increase in Treasury Bills issued in 2020 to raise funds to finance the 2020 Supplementary Budget.

Table 4: Taxes on Income, Profit and Capital Gains (Kina, Million)

	2019 Actual	2020 Suppl. Budget	2020 Outcome
Taxes on Income, Profits and Capital Gains	6,070.4	5,470.5	5,668.7
Personal Income Tax	3,211.6	3,308.0	3,517.3
Company Tax	1,696.9	1,648.6	1,554.2
Mining and Petroleum Taxes	760.7	161.1	183.4
Royalties Tax	25.8	33.7	30.1
Management Tax	17.2	21.5	20.1
Dividend Withholding Tax Non Mining	215.0	171.0	215.9

Non-Resident Insurers Withholding Tax	14.6	121.4	12.6
Interest Withholding Tax	128.0	5.0	134.9
Tax Related Court Fines	0.0	0.0	0.0
Sundry IRC Taxes & Income	0.6	0.2	0.0

Source: Department of Treasury

Taxes on Payroll and Workforce

Payroll and Workforce tax collections, mainly through the Training Levy, amounted to K0.4 million. It is below the Supplementary Budget estimate by K1.4 million. Compared to the 2019 actual level, Payroll and Workforce tax was lower by K1.0 million. This tax head was abolished in 2018; however, collections in 2020 reflects delayed collections.

Table 5: Taxes on Payroll and Workforce (Kina, Million)

Tax on Payroll & Workforce	2019 Actual	2020 Suppl. Budget	2020 Outcome
Training Levy	1.9	1.4	0.4
Total	1.9	1.4	0.4

Source: Department of Treasury

Taxes on Goods and Services

Taxes on Goods and Services amounted to K3,372.7 million in 2020, lower by K65.2 million compared to the Supplementary Budget estimate of K3,437.9 million (see Table 6).

GST collections contributed 76.3 per cent to this revenue category, totalling K2,079.2 million or 3.8 per cent higher than the Supplementary Budget estimate of K2,002.9 million. The higher GST collection compared to its supplementary estimate is due to the moderate recovery in business activity in the last quarter of 2020 given the resumption of businesses and gradual easing of the COVID-19 related restrictions. Part of the collection reflects the panic related purchases as consumers were purchasing goods in bulk in anticipation of the prolonged lock down in March 2020.

GST collections from provinces was K1,325.0 million, an increase of K19.1 million or 1.5 per cent higher than the Supplementary Budget estimate yet K43.1 million or 3.3 per cent lower compared to the 2019 actuals. This indicates moderate domestic consumption and trading. Inland GST data provided by IRC indicates improved performance in contribution from the manufacturing, retail and wholesale and finance sectors.

GST collections at ports totalled K982.1 million, K2.6 million or 0.3 per cent higher than the Supplementary Budget estimate of K979.5 million. Against the 2019 actual, it was K124.3 million or 11.2 per cent lower driven by the COVID-19 impacts on trade and reduced import activity. The moderate increase in 2020 is attributed to the new modernised payment system at PNG Customs and the easing of trade and mobility restrictions in the last quarter of 2020.

GST refunds allocated to taxpayers in 2020 amounted to K228.0 million, lower by K54.6 million or 19.3 per cent compared to the Supplementary Budget estimate. Against 2019 actuals, it was also lower by K48.5 million or 17.5 per cent. The lower outcome indicates taxpayers credit offsets option in claiming GST returns against other tax liabilities – mostly CIT liabilities, rather than GST refund claims.

Table 6: Taxes on Goods and Services (Kina, Million)

	2019 Actual	2020 Supp. Budget	2020 Outcome
Taxes on Goods and Services	3,936.5	3,437.9	3,372.7
GST*	2,252.5	2,002.9	2,079.2
Sales taxes	0.0	0.0	0.0
Bank Account Debit Fees	0.0	0.0	0.0
Stamp Duties	46.6	35.3	43.3
Excise Duty	1,061.0	964.2	817.0
Import Excise	299.7	273.7	257.6
Bookmakers' Turnover Tax	17.2	10.2	8.9
Gaming Machine Turnover Tax	227.2	140.2	157.7
Departure Tax	28.6	6.6	5.4
Motor Vehicle Registration	2.0	2.3	0.0
Commercial Vehicle Licenses	0.0	0.0	0.0
Other taxes on use of goods and on permission to use goods or perform activities	0.5	0.6	0.4

Source: Department of Treasury

*The GST of K2,079.2 million includes GST Transfers to Provinces of K578.4 million. Net of this GST Transferred into Waigani Public Account (WPA) amounted to K1,360.4 million.

Overall, compared with 2019 actuals, Taxes on Goods and Services were lower by K563.8 million in 2020. This reflected reduction in other inland duties such as Import Excise and Excise duties reflecting drop in domestic production and consumption of good and services due to COVID-19 prevention measures such as the lockdowns and travel restrictions. In addition, collections across all other domestic consumption based taxes were lower compared to 2019 outcomes.

Taxes on International Trade and Transactions

Most tax heads under this category have performed strongly against the 2020 Supplementary Budget estimates. Taxes on International Trade and Transactions amounted to K760.4 million, higher than the 2020 Supplementary Budget estimate by K23.0 million or 3.1 per cent (see Table 7).

Collections from import duty increased by K12.1 million or 3.5 per cent to K359.5 million compared to the Supplementary Budget estimate, driven by a pickup in international trade during the brief surge in foreign exchange inflows. Similarly, export tax increased by K10.9 million or 2.8 per cent against Supplementary Budget estimates reflecting an increase in log volumes.

The 2020 outcome is higher by 0.7 per cent compared to 2019 actuals. The annual increase reflects an improvement in foreign exchange supply that enabled a recovery in trading beyond PNG borders as well as the new payment system at PNG Customs.

Table 7: Taxes on International Trade and Transactions (Kina, Million)

	2019 Actual	2020 Supp. Budget	2020 Outcome
Taxes on International Trade & Transactions	909.3	737.3	760.4
Import Duty	409.4	347.3	359.5
Other Import Taxes*	101.8	0.0	0.0
Export Tax	398.1	390.0	400.9

Source: Department of Treasury

*The figure under the Other Import Taxes is used to account for unidentified trade revenue into the Waigani Public Account (WPA). For 2020, there were no unidentified trade revenue received, thus it's showing zero in the Supplementary Budget as well as the 2020 outcome.

1.2.3 Grants

Donor Grants amounted to K1,425.0 million in 2020, with a large part of this emanating from the Australian Department of Foreign Affairs and Trade (DFAT). This outcome is higher than the 2020 Supplementary Budget estimate of K932.1 million by K492.9million or 52.9 per cent (see Table 8).

Table 8: Donor Grants (Kina, Million)

	2019 Actual	2020 Supp. Budget	2020 Outcome
GRANTS	1775.6	932.1	1,425.0
From Foreign Governments	1408.4	766.2	908.1
Current	1126.7	612.9	726.5
Cash	0.0	0.0	0.0
In-Kind	1126.7	612.9	726.5
Capital	281.7	153.2	181.1
Cash	0.0	0.0	0.0
In-Kind	281.7	153.2	181.6
From International Organizations	367.1	165.9	516.9
Current	293.7	132.7	413.5
Cash	0.0	0.0	0.0
In-Kind	293.7	132.7	413.5
Capital	73.4	33.2	103.4
Cash	0.0	0.0	0.0
In-Kind	73.4	33.2	103.4

Source: Department of Treasury and Department of National Planning & Monitoring

1.2.4 Other Revenue

Collections of Other Revenue (Non-Tax revenue) amounted to K866.1 million in 2020. This is modestly higher than the 2020 Supplementary Budget estimate by K86.4 million or 11.1 per cent (see Table 9). The increase mainly reflects the higher than anticipated receipts from dividends payments.

Dividend payments collected in 2020 amounted to K718.5 million, K218.5 million higher than Supplementary Budget estimate of K500.0 million. Against the 2019 actuals of K501.2 million, it is higher by K217.3 million or 43.4 per cent.

Of the K718.5 million in dividends collected in 2020, Kumul Petroleum Holdings Ltd (KPHL) paid K200.0 million, Ok Tedi Mine Limited paid K368.5 million and the Bank of PNG (BPNG) paid K150.0 million. The shortfall in expected payments by KPHL reflected the retention of dividends from the LNG project by KPHL rather than a shortfall of dividends from the project. No dividends were received from Kumul Consolidated Holdings Limited (KCHL) and the Motor Vehicle Insurance Limited (MVIL) in 2020.

Fees and Charges amounted to K66.3 million, lower by K11.4 million against the 2020 Supplementary Budget estimate of K77.7 million. This is mainly attributed to lower than expected collections from land lease rentals, administrative fees and work permits, and slow responses in balance transfers from State entities.

Table 9: Other Revenue (Kina, Million)

	2019 Actual	2020 Supp. Budget	2020 Outcome
OTHER REVENUE	986.8	779.8	866.1
Property Income	529.5	525.4	741.1
Interest	0.0	0.7	0.0

Dividends	501.2	500.0	718.5
<i>Mining Petroleum and Gas Dividends</i>	381.2	350.0	568.5
<i>Dividends from Statutory Authorities</i>	120.0	150.0	150.0
<i>Shares in Private Enterprise</i>	0.0	0.0	0.0
<i>Dividends from State Owned Enterprises</i>	0.0	0.0	0.0
Rent	28.2	24.7	22.6
Sales of goods and services	37.3	34.2	9.3
<i>Administrative fees</i>	14.2	4.6	4.5
<i>Incidental sales by nonmarket establishments</i>	23.0	29.6	4.8
Fines, penalties, and forfeits	1.8	1.8	2.8
Transfers not elsewhere classified	418.2	218.3	113.0

Source: Department of Treasury

Box 1: 2020 Dividend Outcome (Kina, Million)

	2019 Actual	2020 Supp. Budget	2020 Outcome	Variations
Property Income				
Total Dividends	501.2	500.0	718.5	218.5
Mining and Petroleum Dividends	381.2	350.0	568.5	218.5
Ok Tedi Mining Limited	131.2	100.0	368.5	268.5
Kumul Petroleum Holdings Limited	250.0	250.0	200.0	-50.0
Dividends from Statutory Authorities	120.0	150.0	150.0	0.0
Bank of Papua New Guinea	120.0	150.0	150.0	0.0
National Fisheries Authority	0.0	0.0	0.0	0.0
Dividends from State Owned Enterprises	0.0	0.0	0.0	0.0
Kumul Consolidated Limited	0.0	0.0	0.0	0.0
Motor Vehicle Insurance Limited	0.0	0.0	0.0	0.0
Other Dividends	0.0	0.0	0.0	0.0

The 2020 total dividend payment to the State amounted to K718.5 million. This represented an increase of K218.5 million from the 2020 Supplementary Budget estimate of K500.0 million. The increase is due largely to a higher than expected dividend payment from OTML and KPHL.

- The OTML paid a total of K368.5 million in Dividend, which was higher by K268.5 million from the Supplementary Budget estimate of K100.0 million.
- The National Fisheries Authority (NFA) is now reported as transfers to the State other than dividends.
- The non-payment of the KCHL dividend in 2020 reflects the challenging financial performance of major SOEs including Air Niugini and PNG Power and KCHL debt service obligations which more than offset the net profits made by contributing SOEs such as MVIL and the BSP shareholding.

Box 2: 2020 Statutory (PMMR) Transfers to Waigani Public Account (Kina, Million)

PMMR Transfers	2019 Actual	2020 Sup Budget	2020 Outcome	Variation
National Fishery Authority	272.9	179.1	46.1	-133
National Gaming & Control Board	0.0	4.1	0.0	-4.1
National Maritime & Safety Authority	20.0	3.1	1.5	-1.6
Mineral Resource Authority	12.7	2.1	7.4	5.3
Conservation & Environment Protection Authority	0.0	0.0	0.0	0.0
NAQIA	7.2	1.0	0.9	-0.1
National Forest Authority	26.0			
Immigration & Citizenship Service Authority	32.4	7.2	13.0	5.8
Department of Labour	31.6	8.3	16.1	7.8
Others	2.3	0.0	0.0	0.0
2020 balance B/F	5.1		4.7	4.7
Total Transfer to PMMR Holding Account	405.0	205.0	85.0	-120.0
Total Transfer to WPA	405.0	205.0	85.0	-120.0

Balance in PMMR Holding Account	4.7		6.0	
<p>Revenue collected as Statutory (PMMR) transfers into the Waigani Public Account (WPA) amounted to K85.0 million in 2020, lower by K120.0 million compared to the 2020 Supplementary Budget estimate of K205.0 million. Against the 2019 actuals, it formerly was K320.0 million lower reflecting the nullification of the <i>PMMR Act</i> in June 2020. Refer to above table on details per Statutory Authority.</p> <p>The outcome of K85.0 million represents less than 100.0 per cent of the PMMR revenue transfers into the PMMR Holding Account from January to December 2020.</p>				

1.3 Expenditure and Net Lending

The 2020 Total Expenditure and Net Lending final outcome was K19,397.8 million, which is K1,408.5 million or 7.8 per cent higher than the 2020 Supplementary Budget estimate of K17,989.3 million. The higher than expected outcome for 2020 is mainly attributed to increased spending from donor grants (K492.9 million), operational goods and services (G&S) (K678.3 million), compensation of employment (CoE) (K68.8 million), concessional loans (K202.8 Million), interest cost (K100.7 million), provincial functional grant (K47.1 million). While GoPNG PIP was under spent by K183.1 million.

Compared to the 2019 outcome, the 2020 outcome is higher by K1,545.3 million or 8.7 per cent. The increased spending in 2020 predominantly reflects the measures undertaken by the Marape-Basil Government through the COVID-19 Emergency Response and Economic Stimulus Programs to contain the spread of COVID-19 in PNG and to assist small and medium enterprises (MSMEs) which are affected by the COVID-19 preventative measures. These measures were supported by increased spending from PNG's donor partners, who responded positively in assisting the Government to contain the spread of COVID-19, through provision of much-needed medical equipment and technical support.

Despite the challenges posed by the COVID-19 pandemic, the Government ensured its priority expenditures in health, education, law & order and capital works were delivered.

The higher 2020 outcome also reflects the Marape-Basil Government's strong and continued commitment in growing the economy by increasing productive expenditures and clearing arrears in Utilities, Rentals and Exit Payments, aided by increased concessional loan drawdowns and donor support grants.

Table 10: Expenditure by Funding Source 2019-20 (Kina, Million)

Source of Funding	2019 Actuals	2020 Suppl. Budget	2020 Outcome	Var (Outcome v Suppl. Budget)
Domestic Funding (GoPNG)	14,765.1	15,692.2	16,405.2	713.0
Operational ¹	11,764.3	11,600.2	12,496.2	896.1
Capital Investment	3,000.7	4,092.0	3,908.9	-183.1
Donor Grants	1,775.6	932.1	1,424.9	492.8
Concessional Loans	1,311.7	1,365.0	1,567.8	202.8
Total Expenditure and Net Lending	17,852.5	17,989.3	19,397.8	1,408.6
% of GDP	21.1%	22.0%	23.8%	1.7%

Source: Department of Treasury

¹Inclusive of GST and Bookmakers Turn over tax to provinces in compliance with the 2014 GFS reporting requirement. This also includes the debt servicing (interest) payments.

The 2020 GoPNG funded expenditure outcome was K16,405.2⁴ million, higher by K713.0 million or 4.5 per cent against the 2020 Supplementary Budget estimate. As noted earlier, the overspending is mainly from the operational G&S, CoE, interest costs, and provincial functional grants which totaled around K896.1 million.

While the total CoE outcome recorded a modest overrun of K68.8 million, the main headline expenditures, teachers salaries from the provinces and national department salaries recorded significant overruns, K315.0 million and K179.3 million, respectively, as depicted in Table 11 below. This modest outcome is due largely from underspent retirement arrears of K426.0 million, which was disrupted by the COVID-19 pandemic that offset these significant overruns.

⁴ This figure excludes funding from Donor Grants and Concessional Loans

Outcome for the teachers' salaries saw the biggest increase (K315.0 million) coming mainly from the provinces, followed by Salaries and Allowances for National Department and Statutory Authorities (K179.3 million), which is driven in part by increase in recruitment of essential staff (casuals) by Government agencies to support the Government's COVID-19 containment efforts and special allowances for law enforcement personnel during three month COVID-19 State of Emergency period.

Table 11: Compensation of Employees Expenditure items (Kina, Million)

CoE Items	2019 Actual	2020 Suppl. Budget	2020 Outcome.	Variance
Sal & Allow	2,404.0	2,454.2	2,633.5	179.3
Teacher Sal Gr	1,670.5	1,479.9	1,794.9	315.0
Retirement ¹	592.9	1,036.4	610.4	-426.0
Staffing Grants	354.6	358.7	365.4	6.6
Wages Allow	124.2	127.2	137.3	10.1
Leave fares	140.9	179.0	162.8	-16.2
Overtime	28.9	33.9	36.9	3.0
MPs	88.6	74.6	74.6	0.0
Other CoE	19.2	18.8	15.7	-3.1
Total	5,423.8	5,762.8	5,831.5²	68.8

Source: Department of Treasury

¹ Includes retirement arrears payments.

² Total excludes social benefits (K117.8m under Nat. Depts and Statutory Authorities, K100.0m under Teacher's Salary Grants), which is classified under GFS-2014 reporting framework as an economic item of its own and therefore, not reported in this CoE table.

The increase is mainly coming from National Departments and Statutory Authorities' wages and salaries (up by 7.3 per cent) and Teachers' Salaries (up by 21.3 per cent). The increase in the salaries also reflects the 3.0 per cent CPI pay increment for 2019 that was paid in instalments from January to June 2020 (Pay Period Ending 14). These payments includes the CPI pay increment for Judiciary Service personnel, which was 7.5 per cent and back dated to 2015.

The CoE also included a retirement program to retire public servants. This program has suffered some delay due to COVID-19 preventative measures such as the shut-down of most government offices except for those considered critical. A large portion of the public servants that are expected to be retired are teachers. This explains significant blowout in teachers' salaries as anticipated cost savings from this exercise were factored in the 2020 estimates. The program would have realised some savings under CoE if implemented as planned, which could have been used to offset the increase in the G&S and/or other CoE items.

Lack of complete and appropriate data from Department of Personnel Management (DPM) has also made it hard for the Government to execute the retirement policy. Furthermore, payroll in 2020 is affected by increase in the recruitment of essential staff of up to about 2,733 personnel largely from education (teachers), health (nurses and health workers) and law & order sectors (police) to support the Government's efforts in containing the spread for COVID-19 pandemic.

Consequently, the reform efforts through the OSPEAC will be scaled up accordingly in 2021, including overhauling the payroll process with the aim to control salaries and wages by warrants and hard ceilings and strengthening of recruitment policies relating to essential services such as teachers, health workers and law enforcement agencies. The impact of the COVID-19 pandemic has delayed some of the reform programs over the first half of 2020 and slowed work in the second half of 2020.

Detailed data on expenditure on Goods and Services and PE for all agencies is reflected in Part 2 of this document.

Total net capital investment for 2020 was K6,901.5 million, K512.4 million higher than the 2020 Supplementary Budget appropriation. The increase is coming largely from the donor support grants (K492.8 million) and concessional loan (K202.8 million). In terms of the GoPNG component, the 2020 capital expenditure outcome was K3,908.9 million, which is K183.2 million or 4.5 per cent lower than the 2020 Supplementary Budget appropriation.

Compared to the 2019 outcome, total capital investment increased by K813.5 million or 13.4 per cent in 2020, reflecting higher drawdowns from concessional loan and donor support grants. This also reflects the Government's strategy to stabilize and support critical investments priorities by partnering with donors to finance and implement a number of priority projects. GoPNG capital investment increased by K908.2 million or 30.3 per cent against 2019 outcome.

The outcome reflects reprioritization of key national infrastructure projects with higher implementation and disbursement rates as well as targeting capital investment projects that are deemed to provide immediate stimulus to the domestic economy following the lockdown and SOE period due to COVID-19 pandemic. Non-productive capital investment programs were either put on hold or shelved as part of the 2020 Supplementary Budget adjustments. Domestic capital expenditure in 2020 was spread across the sectors as shown in Table 12.

Further, the higher loan drawdowns highlights the Government's continued commitment to reduce the stock of undisbursed concessional loans, effective cooperation with development partners and the clear intention to support economic development over the medium term.

The 2020 outcome for concessional loan funded capital investment was K1,567.8 million, which is K202.8 million or 14.9 per cent higher against the 2020 Supplementary Budget estimate. This is similar to the 2019 outcome, indicating that drawdown rates were higher, reflecting successful efforts by the Government in meeting the counterpart-funding requirements. Projects fully funded via concessional loans and not requiring counterpart funding also contributed to better loan drawdowns. The higher outcome is a positive trend, indicating higher implementation rates for projects that will stimulate economic growth and help ease foreign exchange issues.

Table 12: GoPNG Capital Expenditure by Sector [Excluding Donor Grants and Concessional Loans] (Kina, Million)

Sectors	2020 Budget.	2020 Suppl. Budget.	2020 Outcome.	Var (Outcome v Suppl. Budget)
Provinces	1,553.7	1,652.9	1,367.5	-285.4
Administration	680.7	878.4	853.2	-25.2
Transport	566.0	654.2	824.3	170.1
Economic	357.0	453.0	449.9	-3.1
Law & Justice	142.0	155.0	151.9	-3.1
Education	113.0	98.0	86.0	-12.0
Health	156.0	109.0	84.5	-24.5
Utilities	83.0	67.5	67.5	0.0
Community & Culture	32.0	24.0	24.0	0.0
Grand Total	3,683.4	4,092.0	3,908.9	-183.2

Source: Department of National Planning & Monitoring.

Note: The negative sign reflects under-spending while the positive figure reflects over-spending.

The 2020 capital budget has nine (9) sectors comprised of 153 government agencies. From the nine sectors, the highest funded sector in 2020 was the Provincial sector. This sector

recorded an outcome at K1,367.5 million which was K285.4 million or 17.3 per cent lower than the Supplementary Budget appropriation. The outcome reflects the priority government commitments including DSIP and PSIP program, of which K888.0 million was expended in 2020. District Development Authorities (DDAs) recorded outturn of K180.9 million or 0.4 per cent lower against the 2020 Supplementary Budget estimate, which predominantly reflects the funding to DDAs purposely for COVID-19 related expenses to ensure each district has the facilities in place to monitor and contain the pandemic at district level.

In addition, Special Support Grant outcome for 2020 recorded an outcome of K45.5 million, which is 18.8 per cent below the 2020 Supplementary Budget. Given the COVID-19 situation, K33.9 million was transferred to the provinces from the Supplementary Budget, purposely to assist the provincial governments setup their own COVID-19 control centers in a collaborated effort in containing the spread of COVID-19.

The administration sector capital expenditure in 2020 recorded an outcome of K853.2 million, which is K25.2 million or 3.0 per cent below the 2020 Supplementary Budget estimate. The outcome reflects capital spending in Special Intervention Programs (K337.0 million), Rural Infrastructure program (K83.0 million), Urban Infrastructures (K50.0 million), Log Export Development Levies (K33.0 million), and Bougainville Infrastructure (K29.7 million).

Capital Spending in Transport sector in 2020 recorded an outcome at K824.3 million, K170.1 million or 26.0 per cent above the Supplementary Budget estimate of K654.2 million. This higher spending reflects the government commitment to provide better infrastructure (roads, jetties, wharves, airstrips, etc.) which are critical for development. Some major expenditures includes: Connect PNG (K51.4 million); Capital Arrears (K97.6 million); Port Moresby - Alotau Highway (K30.0 million); Kwikila – Ganai (K30.0 million); Lae-Nadzab Road (4-Lane) (K14.9 million); and Hiritano Highway Maintenance (K10.0 million).

Capital spending in Economics sector recorded an outcome of K449.9 million, which K3.1 million or 0.7 per cent lower than the Supplementary Budget estimate of K453.0 million. The outcome reflects the Government support to PNG household, business and investors to sustain their operation during COVID-19 period as part of its COVID-19 Economic Stimulus package. Some major spending includes: SME Funding for Agriculture (K200.0 million); Commodity Price Stabilisation & Agriculture Intervention (K50.0 million); Micro-to-Small & Medium Enterprise (MSMEs) (K30.0 million); and COVID-19 Business Stimulus Program (K25.5 million).

Law and Order capital spending recorded an outcome of K151.9 million, which is lower by K3.1 million or 2.0 per cent compared to the 2020 Supplementary Budget. Main projects funded in the sector includes the Waigani National Court Complex (K70.0 million) and Judiciary Infrastructure (K30.0 million).

The Education sector capital spending recorded an outcome of K86.0 million, which is K12.0 million or 12.2 per cent below the 2020 Supplementary Budget. Major projects funded includes: Higher Education Infrastructure (K20.0 million); Education Infrastructure (K8.0 million); Nursing College Infra. Rehabilitation (K4.0 million); and Teacher's College Infra Rehabilitation (K4.0 million).

Health Sector capital spending recorded an outcome K84.5 million, which is K24.5 million or 22.5 per cent below the 2020 Supplementary Budget estimates. While Utilities (K67.5 million) and Communities & Culture (K24.0 million) sectors fully expended their respective capital budgets as per the supplementary budget.

Donor support grant recorded an outcome of K1,425.0 million, which is K492.9 million or 52.9 per cent higher than the 2020 Supplementary Budget estimate of K932.1 million. This

outcome is K350.6 million or 24.6 per cent lower than the 2019 outcome of K1,775.6 million. The outcome could be higher as not all donor partners were able to submit their reports in time for this report. From the reports received, DFAT-Australia (K811.3 million) and ADB at (K482.8 million) were the major donors who assisted during the period.

The increased spending from our development partners were directed towards supporting the Government's efforts in containing the spread of COVID-19, through provision of much needed medical equipment and technical support.

Table 13: Project Support Grants by Donor (Kina, Million)

Development Partner	2020 Supp. Budget	2020 Outcome	Var (Outcome v Supp. Budget)
DFAT-Australia	729.7	811.3	81.6
EU	79.9	34.1	-45.8
UNS	41.7	0.0	-41.7
NZAID	22.9	81.5	58.6
PRC	22.2	0.0	-22.2
Japan/JICA	14.5	15.3	0.8
Global Partnership for Education	8.8	0.0	-8.8
ADB	7.4	482.7	475.3
USAID	5.0	0.0	-5.0
Total	932.1	1,424.90	492.8

Source: Development of National Planning and Monitoring.

Note: For some donor partners, reports were not available at the time of this report, hence zero outcome were reported against the respective donor partners and/or not included in this report.

With regards to expenditures by agency, the expenditure outcomes for both the National Departments and Provincial Governments were K7,855.2 million and K4,579.8 million respectively, which were higher by K536.3 million (7.3 per cent) and K694.3 million (17.9 per cent) respectively against the 2020 Supplementary Budget appropriation. This reflects increased Government's spending at the National and Provincial levels through the COVID-19 Emergency Response and Economic Stimulus Programs. It also reflects the increased CoE costs, especially for Teachers and Health workers in the provinces.

However, this has been offset in part by the lower expenditure outcome for Commercial & Statutory Authorities (CSA), being lower by K617.7 million or 28.3 per cent against the 2020 Supplementary Budget. Expenditure outcome for Autonomous Bougainville Government (ABG) is slightly lower by K0.6 million or 0.2 per cent against the 2020 Supplementary Budget.

Overall, the total GoPNG expenditure outcome, compared against the 2020 Supplementary Budget was higher by K712.9 million or 4.5 per cent.

Compared against the 2019 outcomes, GoPNG funded expenditure has increased for all the agency types except for National Departments, which was lower by K265.2 million. Expenditure outcomes for Provincial Governments were up by K1,455.9 million, particularly ABG's expenditure outcome was higher by K81.0 million. The CSAs' outcome was also higher by K350.4 million. Further to the points highlighted above, the higher spending in provinces reflects in part the reallocation of the SIPs appropriation from the Department of Implementation and Rural Development back to the provinces.

Table 14: GoPNG Expenditure by Agency Type 2019-20 (Kina, Million)

Agency Type	2019 Actuals	2020 Supp. Budget	2020 Outcome	Variance
National Departments	8,120.4	7,318.9	7,855.2	536.3
Provincial Government ¹	3,123.9	3,885.6	4,579.8	694.3

Commercial & Statutory Authority	1,214.3	2,182.4	1,564.7	-617.7
Interest Payment*	2,147.2	2,064.4	2,165.1	100.7
Autonomous Bougainville Govt.	159.4	241.0	240.4	-0.6
Grand Total	14,765.2	15,692.3	16,405.2	713.0

Source: Department of Treasury

¹Inclusive of GST and Bookmakers Turn over tax to provinces in compliance with the 2014 GFS reporting requirement.

*Includes debt-related fees and charges

Total debt service expenditure (interest and fees & charges) in 2020 was K2,165.1 million, an increase of K100.7 million or 4.9 per cent against the 2020 Supplementary Budget, which also accounts for 13.2 per cent of total GoPNG funded expenditures. Compared to the 2019 actual the 2020 outcome is K18.1 million or 0.8 per cent higher.

Of the K2,165.1 million⁵, total domestic interest cost accounted for K1,691.9 million and external interest costs accounted for the remaining K468.1 million. Debt service related fees & charges amounted to K5.1 million in 2020.

The increased interest costs in 2020 is driven by the domestic payments, which reflects higher yields in Treasury Bills at weekly auctions plus high rollover frequency on the shorter tenors, which saw an increase in Treasury Bill interest costs as well.

Table 15: GoPNG Expenses by Economic Item 2019-20 (Kina, Million)

Economic Item	2019 Actual	2020 Supp. Budget	2020 Outcome	Variance
Compensation of Employees	5,423.8	5,762.8	5,831.4	68.6
% of GDP	6.4%	6.9%	6.9%	0.1%
Wages and salaries	4,827.5	4,632.4	5,221.0	588.6
Wages and salaries in cash	4,685.2	4,448.5	5,058.8	610.3
Wages and salaries in kind	142.2	183.9	162.2	-21.7
Employers' social contributions	596.3	1,130.4	610.4	-520.0
Actual employers' social contributions	596.3	1,130.4	610.4	-520.0
Use of goods and services	4,980.7	3,352.5	4,803.4	1,450.9
% of GDP	5.9%	4.0%	5.9%	1.8%
Use of goods and services	4,980.7	3,352.5	4,803.4	1,450.9
Grants	1,371.6	2,583.9	2,190.0	-393.8
Grants to other general government units	1,371.6	2,583.9	2,190.0	-393.8
Social Benefits	0.0	217.7	217.7	0.0
Social assistance benefits	0.0	217.7	217.7	0.0
Interest*	2,129.1	2,048.0	2,160.0	112.0
To non-residents	449.0	521.4	468.1	-53.3
To residents other than general government	1,680.1	1,526.6	1,691.9	165.3
Net Acquisition Nonfinancial assets	773.9	1,614.4	1,103.3	-511.2
Acquisition of Fixed assets	773.9	1,614.4	1,103.3	-511.2
Other expenses	86.1	113.0	99.4	-13.6
Transfers not elsewhere classified	86.1	113.0	99.4	-13.6
Grand Total**	14,765.1	15,692.3	16,405.2	712.9

Source: Department of Treasury

*Captures pure interest payments. Other debt service related costs are captured under Uses of Goods and Services.

**Bookmakers Turnover Tax and GST Transfers are excluded in this table, as there are insufficient data on how these funds are being spent at the provincial level.

CoE outcome for 2020 was K5,831.6 million⁶, K68.8 million or 1.2 per cent higher than the 2020 Supplementary Budget estimate of K5,762.8 million⁷. As mentioned above, the CoE

⁵ Of Which fees & charges is K5.1m (which is classified under Goods and Services in GFS)

⁶ CoE excluding Social Benefits (K217.0m).

⁷ Same as (2).

outcome for 2020 takes into account the 2019 CPI adjustment (3.0 per cent for all PS) that was paid in 2020, as well as for the Judiciary Services (of 7.5 per cent) back-dated to 2015. The increase also takes into account the recruitment of teachers as well as essential services staff to support the Government's COVID response.

The GoPNG funded expenditure outcome for Use of Goods and Services was K4,803.4 million⁸, K1,450.9 million or 43.3 per cent higher than the 2020 Supplementary Budget estimate of K3,352.5 million. This higher outcome reflects the Government's commitment in meeting its priority commitments in 2020 despite the pandemic, which includes Procurement & Distribution of Medical Drugs and utilities & rentals. The outcome also reflects COVID-19 related expenditures as part of the Government's efforts in containing the spread of the COVID-19 pandemic, while at the same time providing much needed fiscal stimulus to help prevent the economy from falling into deep recession. The 2020 outcome is K273.9 million or 5.5 per cent lower compared to the 2019 actuals.

The 2020 outcome for GoPNG Grants⁹ (transfers to other Government units) was K2,190.0 million, higher by K393.8 million or 15.2 per cent compared to the 2020 Supplementary Budget. The 2020 outcome is significantly higher by K818.4 million or 59.7 per cent compared to the 2019 outcome. This reflects increased funding to provinces, districts and leading agencies in containing the spread of COVID-19 pandemic. Other major grant transfers includes: SIPs (K888.0 million); Higher Education Loan Program (K60.5 million); Provincial Functional Grants (K588.1 million); Government Tuition Subsidy (K338.5 million); and Health Functional Grants (K68.2 million).

The 2020 outcome for GoPNG's Net Acquisition of Nonfinancial Assets¹⁰ (NFA) expenditure was K1,103.3 million, which is K511.2 million or 31.7 per cent lower than the 2020 Supplementary Budget. Compared to the 2019 actual, it is higher by K358.8 million or 48.2 per cent. Despite the lower outcome compared to the 2020 Supplementary Budget, key infrastructure developments were delivered in 2020, including the Development of Waigani National Court Complex (K70.0 million), Administration of Village, District, Nat & Supreme Courts (K59.3 million), Trans-National Highway: 10 Mile Lae - Bulolo Section (K40.0 million), Missing Link Road (Gulf - SHP) (K40.0 million), and Port Moresby - Alotau Highway: Kwikila – Ganai (K30.0 million).

Table 16 below reflects some of the key expenditures undertaken by the Government in 2020. Details on Arrears and COVID-19 expenditures are provided in the Tables 17 to 20 below.

Table 16: Selected Key Expenditure Items 2019-20 (Kina, Million)

Key Expenditures	2020 Supp. Budget	2020 Outcome	Var (Outcome v Supp. Budget)
SIPs	888.0	888.0	0.0
Functional Grants (Prov.)	588.2	595.5	-17.3
GTSTFF	338.5	338.5	0.0
Rentals	145.7	145.3	-0.4
HELP	118.7	60.5	58.2
TESAS	61.3	61.3	0.0
DSG	55.5	55.5	0.0
SSG	49.0	38.5	10.5
Medical Drugs	218.0	216.8	-1.2

⁸ This is GoPNG funded expenditure, which comprises of G&S expenditure from both operational and development budget. This figure differs from the figure of K678.3 million as mentioned in the opening statement of this chapter, which takes into account only the G&S from the operational component. It excludes provincial functional grants, GST transfers and debt-related fees and charges.

⁹ Given the incorrect classification of Economic item codes to its description in IFMS, significant amount of Grants is classified under the Use of Goods and Services.

¹⁰ Asset with physical value

Utilities	138.4	138.4	0.0
Arrears	382.1	255.2	126.9
COVID-19	507.8	505.1	2.7

Source: Department of Treasury

Arrears Payments

The Arrears Verification Program commenced in 2020. It is administered by an interdepartmental committee (Arrears Verification Committee – AVC) and supported by a Secretariat. The committee is made up of Deputy Secretaries from Treasury, Finance, National Planning and State Solicitor's Office. The committee vets, verifies and pre-endorses arrear claims against the State. The committee undertakes this through two physical and one virtual (online) meeting on weekly basis. The arrears clearance program is also part of the reforms agreed to under the IMF Staff Monitoring Program (SMP). The program is also approved through an NEC Decision No. 397/2020

The total Appropriation for Arrears in 2020 was K1.052 million. This amount includes K122.0 million for PE Arrears (2019 CPI adjustment), K430.0 million for retirement and K500.0 million for Goods & Services (K200.0m) and Capital Works arrears (K300.0m). Though Retirement was captured under the Arrears Terms of Reference (ToR), the work was undertaken by the Organizational Staffing and Personnel Emolument Audit Committee (OSPEAC).

Table 17 below shows the details of the 2020 Budget appropriation for the Arrears.

Table 17: 2020 Total Arrears Appropriation (Kina, Million)

Arrears (Estimate)	2020 Budget
PE – 2019 CPI adjustments	122.0
PE (Retirement) - Separation and super payouts for over public servants who are 65yrs and over.	430.0
Goods & Services - public utilities such as PNG Power and then other G&S including rentals	200.0
Capital (public works, counter-part funding, development activities within the Public Investment Program)	300.0
Total	1,052.0

Source: Department of Treasury

The AVC received a total of K4,232.0 million worth of arrear claims through the Departments of Finance, National Planning and Monitoring and Treasury. These claims were categorized in different categories as outlined in the Table 18 below.

Table 18: Stock of Arrears Received in 2020 (Kina, Million)

No.	Category	Amounts
1	SME/General or Others	2,283.0
2	Capital Works/Counterpart funding projects	1,333.2
3	Court Order Payments	230.2
4	Legal Bills	32.9
5	Utilities	86.0
6	Rental	266.7
Total		4,232.0

Source: Department of Treasury

Apart from the above categories, Land Acquisitions and Timber Rights Permit (TRP) claims were not assessed due to their complexity and required in-depth legal advice and information from other relevant stakeholders.

From the Stock of Arrears received and recorded, K570.4 million (13.4 per cent) of the claims were assessed and verified while 86.6 per cent of the claims were categorized as non-compliant claims. This is because they did not meet the *Public Financial (Management) Act 1995* and the *National Procurement Act 2018* requirements.

Table 19 below shows each of the arrears category, and the claims verified and paid.

Table 19: Total Arrears Endorsed and Paid in 2020 (Kina, Million)

Arrears Category	Amount Approved	Amount Paid (YTD)
Counterpart Funding Projects	128.7	63.2
SME	72.1	58.6
Rentals	65.0	45.7
Utilities	55.9	55.9
Other Capital	29.7	15.1
Court order	12.3	13.6
Legal Bill	6.0	3.1
Grand Total	369.7	255.2

Source: Department of Treasury

COVID-19 Expenditure

In response to the COVID-19 pandemic, the Marape-Basil Government announced a broad Economic Stimulus Package of K5.7 billion to safeguard the citizens and the economy from the possible adverse impacts of the global pandemic. Out of that, K600.0 million was the quantum of fiscal response carved out from the 2020 operational and capital budgets and directed towards the Government's COVID-19 Emergency Response.

The COVID-19 Emergency Response funding was divided into two (2) main programs – *Health & Security containment* (K280.0 million) and *Economy Support programs* (K320.0 million).

At the close of 2020 fiscal year, expenditure outcome for the COVID-19 Emergency Response Program amounted to K505.1 million. Refer Table 20 below for the breakdown of the COVID-19 expenditure outcome by Sectors.

Table 20: YTD COVID-19 Expenditure by Sector and Programs (Kina, Million)

COVID-19 Support	2020 Suppl. Budget	2020 Outcome
Admin Sector	17.3	15.3
PNG Citizens repatriation and intervention programs	17.3	15.3
Economic Sector	74.5	74.0
SME & Economic Recovery Programs	74.5	74.0
Health Sector	116.3	116.3
Heath Containment programs	116.3	116.3
Law & Justice Sector	80.7	80.7
Security Containment programs	77.7	77.7
National Containment & Operations Centre	3.0	3.0
Provinces	218.5	217.8
Wash & agriculture Development (SME) funds	218.5	217.8
Utilities	0.5	1.0
SME & Economic Recovery programs	0.5	1.0
Grand Total¹	507.8	505.1

Source: Department of Treasury

¹ K92.2m held as COVID-19 Flexible Response Budget under Division 207 (Treasury & Finance Miscellaneous), which not utilised.

1.4 Financing

In 2020, the total net borrowing was K6,501.5 million (8.0 per cent of GDP) against the planned financing of K6,184.6 million under the 2020 Supplementary Budget. Of the 2020 Supplementary Budget planned deficit of K6,630.2 million, K445.6 million was expected to come from the cash balance carried forward from 2019 fiscal year. The net incurrence of liabilities for 2020 outcome of K6,501.5 million reflects the increased deficit outcome of K7,304.4 million.

The external extraordinary financing totalled K4,396.1 million and is made up of: the final tranche of the ADB Budget Support Loan of US\$150.0 million (K526.3 million); ADB State Owned Enterprises (SOE) Reform program loan of US\$100.0 million (K350.9 million); COVID-19 Pandemic Response Program loan of US\$250.0 million (K877.2 million); the friendly financing support loan facility from Australian Government amounting to US\$400.0 million (K1,383.4 million) and IMF Rapid Credit Facility (RCF) for COVID-19 emergency response of US\$363.3 million (K1,258.3 million). The concessional project loan draw down totalled K1,567.8 million. Domestic financing totalled K15,715.2 million and it was raised through the issuance of Treasury Bills (K13,147.7 million) and Treasury Bonds (K2,567.5 million).

The 2020 final outcome for Central Government debt stock stood at K40,168.4 million or 49.2 per cent of GDP, which is 0.3 per cent higher than projected in the 2020 Supplementary Budget estimates. The overall increase in debt-to-GDP ratio compared to previous years was due to a combination of higher deficit in the 2020 Supplementary Budget and the downward revision of the Nominal GDP levels due to the impact of COVID-19 preventive measures globally and domestically affecting trade volume and values, as well as the closure of Pogera and Ok Tedi mines.

The budget deficit in 2020 Supplementary Budget and the debt to GDP ratio are higher than planned in the new MTdS but are within the limits imposed by the *Fiscal Responsibility Act 2006 (amended 2020)*.

1.4.1. Net Financing

The composition of the change in net incurrence of liabilities (total net borrowing) of K6,501.5 million comprised of K3,619.5 million from external borrowing and K2,882.0 million from the domestic borrowing. There was a 91.9 per cent augmentation from the 2019 deficit of K3,388.1 million.

The COVID-19 preventive measures employed globally and domestically to contain the spread of COVID-19 significantly disrupted business operations and reduced trade volumes and values which, reduced government revenue. The increased expenditure and consequent deficit was necessary to help prevent and contain the COVID-19 pandemic and inject much needed fiscal stimulus to protect essential social spending and support business community and cushion the economy from falling into deep recession. In the efforts to comply with MTdS, the Government secured substantial concessional budget support funding from its bilateral and multilateral partners to finance the delivery of the Government's essential priorities.

Table 21: Financing Sources 2019 – 2020 (Kina Million)

	2019 Actual	2020 Budget	2020 Supp. Budget	2020 Outcome
Net Domestic Borrowing	1,054.2	1,257.2	1,923.0	2,882.0
Net External Borrowing	2,333.9	3,373.8	4,261.6	3,619.5
Total Net Borrowing	3,388.1	4,631.0	6,184.6	6,501.5

Source: Department of Treasury

1.4.2 External Financing

As at 31st December 2020, total new external borrowings were K5,982.0 million, which is K3,255.6 million higher than the 2019 actuals and K512.7 million lower than the 2020 Supplementary Budget projections.

Concessional loan drawdowns represented 26.2 per cent of new external borrowing compared with 48.1 per cent in 2019. This is less compared to disbursement from bilateral and multilateral loans projected share of 21.0 per cent in the 2020 Supplementary Budget. The increased outcome in disbursements of concessional loans in 2020 against the supplementary budget is K202.8 million or 14.9 per cent. This predominately reflects higher project drawdowns of ADB loan projects such as Civil Aviation Development Investment Program, Sustainable Highlands Highway Investment Program, Town Electrification Investment Program and Highlands Region Road Improvement Project.

The main infrastructure programs around the country funded under the concessional loans includes:

- PNG National Submarine Fibre Cable Network, PNG National Power Grid (Mt. Hagen, Mendi, Tari), Keltiga Junction to Kagamuga Airport 4 Lane Highway Reconstruction and Upgrade and Construction of New Enga Provincial Hospital Project funded by the Exim Bank of China.
- Nadzab Airport Redevelopment Project and Ramu Transmission System Reinforcements Project are funded by the Japanese Government (JICA); and
- Road Maintenance & Rehabilitation Project is funded by the World Bank.

The increase in disbursements were made following the need for faster implementation in 2020 to support economic activity and growth in light of the depressed economy brought about by COVID-19 pandemic.

Extraordinary financings comprised of: (i) the ADB Development Policy Operation (Budget Support), (ii) IMF Rapid Credit Facility (RCF) and (iii) the friendly bilateral budget support loan from the Australian Government.

The ADB Budget Support consists of: the third tranche of US\$150.0 million (K528.2 million), State Own Enterprises Reform Program of US\$100.0 million (K350.9 million) and COVID-19 Pandemic Response Option Program US\$250.0 million (K877.2 million).

IMF RCF is a concessional interest free budget support of US\$363.3 million (K1,258.3 million) acquired in mid-year.

The Australian Government's friendly bilateral budget support loan of US\$400.0 million (K1,383.4 million) was received at the end of 2020. From this facility, US\$300.0 million (K1,037.6 million) was used to refinance Export Finance Australian loan of US\$300.0 million obtained in 2019 and US\$100.0 million (K343.9 million) was used for budget support.

The total contribution was about 73.5 per cent (K4,396.1 million) of the new external borrowings in 2020. The remaining 0.3 per cent (K18.1 million) of non-concessional drawdowns was from commercial financing for the New Boram Hospital Project.

Total external principal repayments were K2,362.6 million in 2020, an increase of K1,970.0 million or 83.4 per cent compared to the 2019 outcome, and K129.5 million or 5.5 per cent above the 2020 Supplementary Budget estimate. The bulk of the 2020 external repayments was from Credit Suisse US\$250.0 million (K865.1 million) and Export Finance

Australia US\$300.0 million (K1,038.1 million) loans which totalled about K1,903.2 million. The remaining was from other concessional loan amortization.

Table 22: External Borrowing and Principal Repayments 2019 - 2020 (Kina, Million)

	2019 Actuals	2020 Supp. Budget	2020 Outcome
New External Borrowing	2,726.4	6,494.7	5,982.0
Concessional Financing	1,311.7	1,365.0	1,567.8
Commercial Financing	54.8	0.0	18.1
Extraordinary Financing	1,359.9	5,129.7	4,396.1
External Securities (Bond)	0.0	0.0	0.0
Repayment of Principal	392.6	2,233.1	2,362.6
Net External Borrowing	2,333.9	4,261.6	3,619.5

Source: Department of Treasury

1.4.3 Domestic Financing

New domestic borrowing for 2020 totalled K15,715.2 million, K3,388.0 million or 27.5 per cent higher than in 2019 and significantly higher than the 2020 Supplementary Budget estimate by K2,882.5 million or 22.5 per cent. This reflected the pressure to finance the higher deficit domestically due to budget support from external sources coming in at the back end of 2020. Treasury Bills were the main financing instrument used while Treasury Bonds issuance commenced in April and was front loaded over three (3) months auction period due to dire need of funds to support the COVID-19 pandemic crisis. Treasury Bills represented 83.7 per cent of new domestic borrowing and Treasury Bonds only 16.3 per cent of total domestic borrowing. This has tended to shorten the duration of the domestic debt portfolio, adding to rollover risk, which is contrary to the MTdS.

Actual total domestic debt retirement (repayment) in 2020 was K12,833. million, which comprised of K11,437.2 million in Treasury Bills, K1,301.3 million in Treasury Bonds and K94.7 million in domestic loans on NCD Roads. The principal repayments on domestic debt have increased by 13.8 per cent from 2019 actuals and increased by 18.7 per cent from the 2020 Supplementary Budget estimate. This reflects the redemption of domestic securities late in 2019 and the shift into lower yielding shorter-term Treasury Bills in 2020 that fell due late in 2020.

As part of the debt strategy, a portion of the budget support received from the multilateral and bilateral partners were used to retire part of the domestic debt stock in 2020.

Table 23: Domestic Borrowing and Principal Repayments 2019 - 2020 (Kina, Million)

	2019 Outcome	2020 Original	2020 Supp. Budget	2020 Outcome
New Domestic Borrowing	12,327.2	12,167.8	12,167.8	15,715.2
Treasury Bills Financing	11,691.5	9,600.3	9,600.3	13,147.7
Treasury Bonds Financing	635.7	2,567.5	2,567.5	2,567.5
Repayment of Principal	-11,272.9	-10,910.6	10,809.2	-12,833.2
Treasury Bills Maturities	-10,177.7	-9,272.2	-9,272.2	-11,437.2
Treasury Bonds Maturities	-991.4	-1,537.9	-1,537.0	-1,301.3
Guarantee Payments	-103.8	-100.5	-100.5	-94.7
Net Domestic Borrowing	-1,054.2	-1,257.2	1,358.6	2,882.1

Source: Department of Treasury

1.4.4 Debt Service

Total debt service comprises repayments of principal, interest and other fees and charges related to public debt. At the end of 2020, the repayment of principal totalled K15,195.7 million (30.3 per cent and 15.6 per cent higher than in 2019 outcome and 2020 supplementary estimate, respectively), comprising K2,362.6 million for external repayments and K12,833.2 million for domestic repayments.

Total interest and fees paid in 2020 was K2,165.1 million, which was higher by K100.7 million or 4.9 per cent from the Supplementary Budget estimates of K2,064.4 million. This represents an increase of 0.8 per cent in total financing costs in 2020 compared to 2019. The slight increase in interest and related costs in 2020 resulted mainly from domestic interest costs as well as an increase in the frequency of refinancing or rolling over of Treasury Bills. In addition, the repayments of domestic loan interest includes penalties for late payments and other associated costs.

Furthermore, K5.1 million or 0.2 per cent of the total increase in debt service costs related to external borrowing related charges. These are management and penalty fees charged to PNG for not drawing down on existing loans. The total amount of committed undisbursed loans as at end of 2020 was K4,923.9 million. The Department of Treasury, as part of its MTdS, is continuing to develop a strategy to minimise these costs by encouraging the Government to provide counterpart funding for these projects to trigger drawdowns as well as inform projects to implement the scope of work once all feasibility studies on respective project sites are completed.

Table 24: Interest and Fees – 2019 - 2020 (Kina, Million)

	2019 Outcome	2020 Outcome
Domestic		
Interest and other fees paid	1,618.4	1,706.1
<i>Adjustments:</i>		
Interest accrued on issuance ¹	-17.8	-47.0
Net discount/premium on issuance ²	58.9	32.8
Total Domestic	1,659.5	1,691.1
External		
Interest	479.0	468.1
External Borrowing related charges	8.7	5.1
Total External	487.7	473.2
Total Interest and Charges	2,147.2	2,165.1

Source: Department of Treasury

Treasury Bond is a bond instrument that pays semi-annual coupons. Investors who purchase Treasury Bond 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. The difference between the proceeds received on issuance and the bond's face value plus accrued interest.

1.5 Public Debt

The level of total Central Government Debt at the end of 2020 totalled K40,168.4 million or 49.2 per cent of GDP, an increase of K316.9 million or 0.6 per cent against the 2020 Supplementary Budget estimate reflecting the net incurrence in liabilities of K6,501.5 million.

The total domestic debt portfolio was K22,215.6 million at the end of 2020, which is K2,882.1 million higher than the 2019 level of K19,333.5 million. This substantial increase compared to recent years reflects the increased issuance of Treasury Bills in the first half of 2020 when Treasury Bonds issuance was delayed to April. The Government strategy to rebalance its portfolio towards external debt with additional retirement of short-term domestic debt from proceeds of external sources of funds did not occur since the sources of external financing for budget support came very late at the back end of December 2020.

External debt increased to K17,952.8 million from the 2019 level of K14,333.4 million, an increase of K3,619.5 million (or 25.3 per cent). This is due to an increase in net external borrowings through drawdowns from multilateral and bilateral sources for project/program support, as well as budget support from the IMF US\$363.3 million (K1,257.1 million), additional friendly support loan of US\$400.0 million (K1,383.4 million) from the Government of Australia and ADB loans totalling US\$500.0 million (K1,730.1 million). Additional changes to debt stock amounted to K5.2 million as a result of exchange rate movements on external borrowings.

Table 25: Central Government Debt 2019 – 2020 (Kina, Million)

Kina Million	2019 Actuals	2020 Budget	2020 Suppl. Budget	2020 Outcome
Domestic	19,333.5	20,140.3	21,256.5	22,215.6
Debt securities	18,157.9	19,064.9	20,181.4	21,134.6
<i>Treasury Bills</i>	<i>10,191.3</i>	<i>10,012.9</i>	<i>10,159.4</i>	<i>11,901.8</i>
<i>Treasury Bonds</i>	<i>7,966.6</i>	<i>9,052.0</i>	<i>9,662.0</i>	<i>9,232.8</i>
Loans	1,175.6	1,075.4	1,075.1	1,080.9
External	14,333.4	17,044.7	18,595.0	17,952.8
Debt securities	1,700.7	1,700.7	1,700.7	1,700.7
<i>Concessional financing</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>
<i>Commercial financing</i>	<i>1,700.7</i>	<i>1,700.7</i>	<i>1,700.7</i>	<i>1,700.7</i>
<i>Extraordinary financing</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>
Loans	12,632.7	15,344.0	16,894.3	16,252.1
<i>Concessional financing</i>	<i>8,676.7</i>	<i>9,166.0</i>	<i>9,669.2</i>	<i>9,831.6</i>
<i>Commercial financing</i>	<i>1,970.4</i>	<i>1,982.8</i>	<i>1,088.2</i>	<i>1,094.1</i>
<i>Extraordinary financing</i>	<i>1,985.6</i>	<i>4,195.2</i>	<i>6,136.9</i>	<i>5,326.4</i>
Total Central Government Debt	33,666.9	37,185.0	39,851.5	40,168.4
<i>Total debt as percentage of GDP</i>	<i>39.8</i>	<i>45.6%</i>	<i>48.9%</i>	<i>49.2%</i>
Gross Domestic Product²	84,554.1	81,627.0	81,627.0	81,627.0

Source: Department of Treasury.

General government represents national and provincial governments, the Autonomous Bougainville government and commercial and statutory authorities.

Total nominal GDP by economic activity, Actual: National Statistics Office (up to 2017) and Treasury Projections (from 2018).

1.6 Trust Accounts

Pursuant to *Section 15* of the *Public Finance Management Act (PFMA)*, (*Amended 2016*), the Department of Finance (DoF) gives authorization to any government institution, whether it be Statutory Authority or National Department, to establish and operate trust accounts, either, National Budget, Donor Funded or Counter Funded. The purpose of holding funds in Trust Accounts is to give time to Government agencies to properly plan and implement their priority projects and to spread spending over time to help manage inflationary pressures in the economy.

A total of **K13,337.65 million** (K12,818.48 million from 2019 FBO + K395.07 million + K124.1 million COVID - 19 related expenses), up to and including the 2020 Budget appropriations has been expended through the Budget Funded Trust Accounts since 2005 for the implementation of government's various priority programs. These trust accounts have largely been funded from additional mineral revenue in Supplementary Budgets and Annual Budgets.

The following is the expenditure report for all the budget funded trust accounts from 1st January to 31st December, 2020. As at the reporting date, the trust account appropriations for the 2020 Budget cannot be highlighted as all these funds were and could still be issued directly to the department and agencies concerned.

Including the 2020 appropriations for trust accounts in 2020 Budget and it's supplementary budget a total of **K519.17 million** (K395.07 million + K124.1 million) have being expended from 01 January up to 31 December 2020. Table 26 below shows the movement of funds within the period.

Table 26: Movement of Funds in Budget Funded Trust Accounts 01 Jan to 31 Dec, 2020 (Kina, million)

Trust Account Name	Balance as at 1-Jan-20	Debit (Receipts)	Credit (Payments)	Bal as at 31-Dec20
Flexible, Open and Distance Education (FODE) Rehabilitation - GoPNG	0.00	0.30	0.18	0.12
Tuition Fee Free Education Trust Account (Main)	110.58	266.86	332.34	45.10
Tuition Fee Free Education - Commodity Component Trust	0.00	0.0	0.0	0.0
PNG Rural Communications Project GOPNG	2.00	0.30	1.41	0.89
PNG Fire Service Infrastructure Rehabilitation Program - (PIP) T/A*	0.01	0.00	0.00	0.01
National Road Maintenance Policy TA	0.00	0.00	0.00	0.00
Highlands Highway Rehabilitation T/A Subsidiary	0.04	0.00	0.00	0.04
Port Moresby Roads Trust Account	0.04	0.0	0.0	0.04
Lae City Roads Rehabilitation Trust Subsidiary 2	0.00	0.00	0.00	0.00
Small Medium Enterprise (SME) Risk Sharing Facility (GoPNG)	0.00	2.10	1.50	0.60
Central City Trust Account	26.80	0.00	0.0	26.80
Restoration and Development Grant Trust*	0.04	0.00	0.00	0.04
Restoration and Development Grant Subsidiary Account	0.00	0.00	0.00	0.00
Special Intervention Funds (Established on 28 Feb 2014)	0.02	0.00	0.00	0.02
LNG Pipeline Infrastructure Dev Grant (IDG) (Kikori Area)	0.00	0.00	0.00	0.00
Financial Management Improvement Programme (FMIP) - GoPNG	2.00	11.20	9.80	3.40
FMIP Provincial Capacity Building Imprest Trust Account	0.70	3.35	2.71	1.34
Infrastructure Development (UBSA) Grant (IDG) Account - Main	7.91	0.00	0.00	7.91
Infrastructure Development (UBSA) Grant Account (IDG) Sub	1.30	0.0	0.0	1.30
PNG High Impact Infrastructure Projects	0.01	0.00	0.00	0.01
PNG High Impact Infrastructure Projects Sub	0.68	0.00	0.00	0.68
Public Service Audit Program	0.59	0.00	0.00	0.59
2017 PNG National General Election - Finance, Procurement, Personnel and Logistic Trust	0.03	0.00	0.00	0.03
NAOSP III GoPNG Counterpart Funds (European Union)*	0.00	0.00	0.00	0.00
Department of Prime Minister & NEC APEC Operations (OP) Plan 2018 TA	0.00	0.01	0.00	0.01

APEC – Authority	0.06	0.00	0.00	0.06
APEC - Joint Securities Task Force (JSTF)	0.00	0.00	0.00	0.00
Highlands Region Road Improvement Investment Program (HRRIP) Project 2 - GoPNG Counterpart Funding TA*	1.44	1.00	1.00	1.44
Productive Partnership in Agriculture Project (PPAP) GoPNG TA*	0.00	0.00	0.00	0.00
Multiple LNG Development Trust Account*	0.30	2.50	0.80	2.00
Resettlement of Volcano Victims TA	0.00	0.00	0.00	0.00
Regional, Provincial Treasury and District Admin. Offices	0.00	0.0	0.0	0.0
Coastal Vessels Account	0.14	0.00	0.00	0.14
Water Supply Sanitation Development Project – GoPNG*	2.80	0.00	0.10	2.70
Rural Service Delivery and Local Governance Project*	0.00	0.00	0.00	0.00
Bougainville Referendum Commission	0.00	0.00	0.00	0.00
Land Reform Trust Account*	0.02	0.00	0.00	0.02
Department of Justice & Attorney General PILON Trust Account	0.00	0.00	0.00	0.00
Search & Rescue Operation Trust Account	0.00	0.00	0.00	0.00
Oil Spill Response Emergency Trust Account	0.00	0.00	0.00	0.00
Southern Highlands Province Airport Development Trust Account	0.00	0.00	0.00	0.00
Dept. of Finance Infrastructure Project *	0.00	0.00	0.00	0.00
Jiwaka Provincial Headquarter Project Trust Account	0.00	0.00	0.00	0.00
Tsak Valley Electrification Project - GoPNG Counterpart Fund	0.00	9.49	0.00	9.49
Mendi Provincial HRRIP Project 2 - GoPNG C/part Fund	0.00	0.40	0.00	0.40
Mt Hagen Provincial HRRIP Project 2 - GoPNG C/part Fund	0.00	0.86	0.85	0.01
2020 National Population and Housing Census Trust Account	0.00	15.57	10.25	5.32
Kokopau to Arawa Road	0.03	0.00	0.00	0.03
Sports Infrastructure Trust Account	0.11	0.00	0.00	0.11
Higher Education Loan Program	0.00	30.00	29.00	1.00
Trans East West New Britain Highway	0.07	0.00	0.00	0.07
Health Service Sector Dev. Prog. Budget Support (HSSDP)	0.00	0.74	0.00	0.74
Connect PNG Trust Account	0.00	137.24	4.13	133.11
Mukurumanda Jail Project Trust Account	5.00	0.00	1.00	4.00
Total	162.72	481.92	395.07	249.57

Source: Department of Finance.

Note:

The total January opening balance of all Budget Funded trust accounts has changed from the one previously reported in the 2020 MYEFO Report because some new budget funded trust accounts has being established and added onto the list.

The Tuition Fee Free (TFF) Education trust accounts receipts and expenses are inclusive of both the TFF Fee component and the Commodity component of Free Education Policy initiated by the previous O'Neil-Abel Government. The receipt and expenditure also reflects all its subsidiary accounts.

Trust Accounts that has balances below K20 000 are represented by K0.01 million and below K10 000 are reflected as zero balance.

* - The balances and fund movements of the trust accounts with asterisk could not be fully determined due to non – availability of bank statements at the time of FBO Report preparation

The opening balance of the Budget Funded Trust Accounts as at 1st January 2020 was K162.7 million. Expenditure incurred in the 2020 period totalled K395.07 million with K481.92 million as receipts within the same period and the closing balance as at 31st December 2020 was K249.57 million.

Following is a summary of expenditures above **K5.0 million** from Budget Funded Trust Accounts for the period 1st January to 31st December 2020

- **K266.86 million** was expended on the current government's "Government Tuition Fee Subsidy (GTFS)" Education Policy rollout.
- **K29.0 million** was expended on the Higher Education Loan Program (HELP) to assist tertiary students in their tuition fees.
- **K10.25 million** was expended on the 2020 National Population and Housing Census Trust Account.
- **K9.8 million** was expended on the Financial Management Improvement Program (FMIP) project.

Many trust accounts above did not incur expenses and it is assumed the operations of the trust accounts might have being affected by the recent impact of COVID – 19 pandemic thus, a decrease in expenses including the receipts into trust accounts.

During the COVID – 19 World outbreak around February 2020, the PNG Government has allocated funds to respective provinces and districts to carry out awareness and preparatory work in combating the deadly pandemic disease.

A total of K217.6 million was paid to each of the 22 provinces and 89 districts COVID-19 Emergency Trust Accounts during the third quarter of 2020. The total funds expended for the COVID-19 related activities amounted to K124.1 million, thus having K93.5 million balances as at 31st December 2020. The funds in those COVID-19 Trust Accounts could still be accessed and used throughout the year (2021) by the respective provinces and districts.

Table 27: List of 22 COVID-19 Provincial Subsidiary Trust Accounts and the movement of funds from 1st July to 31st December 2020 (Kina, millions)

NO:	COVID - 19 Emergency, Provincial Subsidiary Account Names	Opening Bal as at 01 Jul 20	Receipts	Payments	Closing Bal as at 30 Sept 20
1	COVID -19 Emergency Trust Account – Enga Province	0.00	2.54	1.56	0.98
2	COVID -19 Emergency Trust Account – Hela Province	0.00	1.50	0.70	0.80
3	COVID -19 Emergency Trust Account – Southern Highlands Province	0.00	1.50	0.72	0.78
4	COVID -19 Emergency Trust Account – Western Province	0.00	1.50	0.00	1.50

5	COVID -19 Emergency Trust Account – Western Highlands Province	0.45	1.77	1.33	0.89
6	COVID -19 Emergency Trust Account – Eastern Highlands Province	0.00	1.54	0.86	0.68
7	COVID -19 Emergency Trust Account – Morobe Province	0.00	1.50	0.41	1.09
8	COVID -19 Emergency Trust Account – Madang Province	0.00	1.50	1.50	0.00
9	COVID -19 Emergency Trust Account – East Sepik Province	0.00	1.54	0.47	1.07
10	COVID -19 Emergency Trust Account – West Sepik Province	0.00	1.54	0.80	0.74
11	COVID -19 Emergency Trust Account – Milne Bay Province	0.00	1.54	0.60	0.94
12	COVID -19 Emergency Trust Account – Oro Province	0.00	1.54	1.16	0.38
13	COVID -19 Emergency Trust Account – National Capital District	0.00	1.54	0.23	1.31
14	COVID -19 Emergency Trust Account – Central Province	0.00	1.54	0.24	1.30
15	COVID -19 Emergency Trust Account – East New Britain	0.00	1.54	0.88	0.66
16	COVID -19 Emergency Trust Account – West New Britain	0.00	1.54	0.00	1.54
17	COVID -19 Emergency Trust Account – New Ireland Province	0.00	1.54	0.20	1.34
18	COVID -19 Emergency Trust Account – Jiwaka Province	0.00	1.54	1.54	0.00
19	COVID -19 Emergency Trust Account – Simbu Province	0.00	1.54	1.43	0.11
20	COVID -19 Emergency Trust Account – Manus Province	0.00	2.54	0.00	2.54
21	COVID -19 Emergency Trust Account – Gulf Province	0.00	1.54	0.35	1.19
22	COVID -19 Emergency Trust Account – Autonomous Region of Bougainville	0.49	4.04	4.11	0.42
	TOTAL	0.94	38.41	19.09	20.26

Source: Department of Finance.

Table 28 below shows the movement of funds for the 89 District COVID-19 District Subsidiary Trust Accounts and the movement of funds from 1st July to 31st December 2020 (Kina, millions)

Table 28: COVID -19 District Subsidiary Trust Accounts and the movement of funds from 01 July to 31 December, 2020 (Kina, millions)

NO:	COVID – 19 Emergency, District Subsidiary Account Names	Opening Bal as at 01 Jul 2020	Receipts	Payments	Closing Bal as at 31st Dec 2020
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1	COVID -19 Emergency Trust Account – Middle Fly District	0.00	1.90	0.00	1.90
2	COVID -19 Emergency Trust Account – North Fly District	0.00	1.90	0.31	1.59
3	COVID -19 Emergency Trust Account – South Fly District	0.00	1.90	1.02	0.88
4	COVID -19 Emergency Trust Account – Kerema District	0.00	1.90	1.23	0.67
5	COVID -19 Emergency Trust Account – Kikori District	0.00	2.00	0.58	1.42
6	COVID -19 Emergency Trust Account – Goilala District	0.00	2.00	1.58	0.42
7	COVID -19 Emergency Trust Account – Rigo District	0.00	2.00	1.92	0.08
8	COVID -19 Emergency Trust Account – Abau District	0.00	2.00	2.00	0.00
9	COVID -19 Emergency Trust Account – Kairuku Hiri District	0.00	1.96	1.96	0.00
10	COVID -19 Emergency Trust Account – Moresby South District	0.00	2.00	2.00	0.00
11	COVID - 19 Emergency Trust Account – Moresby North East	0.00	2.00	1.38	0.62
12	COVID -19 Emergency Trust Account – Moresby North West	0.00	2.00	0.34	1.66
13	COVID -19 Emergency Trust Account – Kiriwina Goodenough District	N/A	N/A	N/A	N/A
14	COVID -19 Emergency Trust Account – Central Bougainville District	0.00	2.00	0.06	1.94
15	COVID -19 Emergency Trust Account – Esa'ala District	0.00	2.00	0.05	1.95
16	COVID -19 Emergency Trust Account – Samarai Murua District	0.00	2.00	1.42	0.58
17	COVID -19 Emergency Trust Account – Ijivitari District	0.00	2.00	1.96	0.04
18	COVID -19 Emergency Trust Account – Kagua Erave District	0.00	2.00	0.54	1.46
19	COVID -19 Emergency Trust Account – Imbongu District	0.00	2.00	1.08	0.92
20	COVID -19 Emergency Trust Account – Mendi District	0.00	2.00	1.48	0.52
21	COVID -19 Emergency Trust Account – Ialibu Pangia District	0.00	2.00	0.00	2.00
22	COVID -19 Emergency Trust Account – Nipa Kutubu District	0.00	2.00	1.31	0.69
23	COVID -19 Emergency Trust Account – Tari Pori District	0.00	2.00	0.00	2.00

24	COVID -19 Emergency Trust Account – Komo Magarima District	0.00	2.00	0.00	2.00
25	COVID -19 Emergency Trust Account – Koroba Kopiago District	0.00	2.00	0.00	2.00
26	COVID -19 Emergency Trust Account – South Bougainville District	0.00	2.00	1.59	0.41
27	COVID -19 Emergency Trust Account – Wabag District	0.00	2.00	0.83	1.17
28	COVID -19 Emergency Trust Account – Kandep District	0.00	2.00	0.23	1.77
29	COVID -19 Emergency Trust Account – Laiagap Pogera District	0.00	2.00	2.00	0.00
30	COVID -19 Emergency Trust Account – Wapenamanda District	0.00	2.00	0.00	2.00
31	COVID -19 Emergency Trust Account – Kompiani Ambum District	0.00	2.00	0.19	1.81
32	COVID -19 Emergency Trust Account – Tambul Nebilyer District	0.00	2.00	1.76	0.24
33	COVID -19 Emergency Trust Account – Mul Baiyer District	0.00	2.00	1.97	0.03
34	COVID -19 Emergency Trust Account – Dei District	0.00	2.00	0.10	1.90
35	COVID -19 Emergency Trust Account - Hagen District	0.00	2.00	1.86	0.14
36	COVID -19 Emergency Trust Account - North Waghi District	0.00	2.00	0.62	1.38
37	COVID -19 Emergency Trust Account – Anglip South Waghi District	0.00	2.00	1.97	0.03
38	COVID -19 Emergency Trust Account – Jimi District	0.00	2.00	2.00	0.00
39	COVID -19 Emergency Trust Account – Kerawagi District	0.00	2.00	2.00	0.00
40	COVID -19 Emergency Trust Account – Kundiawa/ Gembogle District	0.02	2.00	1.62	0.40
41	COVID -19 Emergency Trust Account – Sinesine Yongomul District	0.00	2.00	0.63	1.37
42	COVID -19 Emergency Trust Account – Karamui Nomane District	0.00	2.00	1.92	0.08
43	COVID -19 Emergency Trust Account – Gumini District	0.00	2.00	1.01	0.99
44	COVID -19 Emergency Trust Account – Chuave District	0.02	2.00	2.00	0.02
45	COVID -19 Emergency Trust Account – Daulo District	0.00	2.00	2.00	0.00

46	COVID -19 Emergency Trust Account – Goroka District	0.00	2.00	1.38	0.62
47	COVID -19 Emergency Trust Account – Ungai Bena District	N/A	N/A	N/A	N/A
48	COVID -19 Emergency Trust Account – Henganofi District	0.00	2.00	1.79	0.21
49	COVID -19 Emergency Trust Account – Lufa District	0.00	2.00	1.63	0.37
50	COVID -19 Emergency Trust Account – Okapa District	0.00	2.00	1.91	0.09
51	COVID -19 Emergency Trust Account – Kainantu District	0.00	2.00	2.00	0.00
52	COVID -19 Emergency Trust Account – Obura Wonenara District	0.00	2.00	1.70	0.30
53	COVID -19 Emergency Trust Account – Tewai Siasi District	1.99	2.00	3.49	0.50
54	COVID -19 Emergency Trust Account – Markham District	0.00	2.00	1.36	0.64
55	COVID -19 Emergency Trust Account – Huon Gulf District	0.00	2.00	1.08	0.92
56	COVID -19 Emergency Trust Account – Lae District	0.00	2.00	0.38	1.62
57	COVID -19 Emergency Trust Account – Kabwum District	0.00	2.00	1.42	0.58
58	COVID -19 Emergency Trust Account – Bulolo District	1.18	2.00	3.15	0.03
59	COVID -19 Emergency Trust Account - Minyamya District	0.00	2.00	0.53	1.47
60	COVID -19 Emergency Trust Account – Finchafen District	0.27	2.00	2.22	0.05
61	COVID -19 Emergency Trust Account – Nawaeb District	1.00	2.00	2.82	0.18
62	COVID -19 Emergency Trust Account – Middle Ramu District	0.00	2.00	0.00	2.00
63	COVID -19 Emergency Trust Account – Rai Coast District	0.00	2.00	1.93	0.07
64	COVID -19 Emergency Trust Account – Madang District	0.00	2.00	0.00	2.00
65	COVID -19 Emergency Trust Account – Bogia District	0.00	1.80	1.80	0.00
66	COVID -19 Emergency Trust Account – Usino Bundi District	0.00	2.00	1.87	0.13
67	COVID -19 Emergency Trust Account – Sumkar District	0.00	2.00	1.93	0.07
68	COVID -19 Emergency Trust Account – Yangoru Saussia District	0.00	2.00	1.13	0.87
69	COVID -19 Emergency Trust Account – Wewak District	0.00	2.00	1.93	0.07
70	COVID -19 Emergency Trust Account – Wosera Gawi District	0.00	2.00	1.94	0.06

71	COVID -19 Emergency Trust Account - Ambunti Dreikir District	0.10	2.00	1.3	0.83
72	COVID -19 Emergency Trust Account – Maprik District	0.00	2.00	1.70	0.30
73	COVID -19 Emergency Trust Account – Angoram District	0.00	2.00	1.36	0.64
74	COVID -19 Emergency Trust Account – Telefomin District	0.00	2.00	1.73	0.27
75	COVID -19 Emergency Trust Account – Vanimo Green District	0.00	2.00	1.62	0.38
76	COVID -19 Emergency Trust Account – Nuku District	0.00	2.00	1.29	0.71
77	COVID -19 Emergency Trust Account – Aitape Lumi District	0.33	2.00	0.82	1.18
78	COVID -19 Emergency Trust Account – Manus District	0.00	2.00	0.00	2.00
79	COVID -19 Emergency Trust Account – Kavieng District	0.00	2.00	0.00	2.00
80	COVID -19 Emergency Trust Account – Namatanai District	0.00	2.00	2.00	0.00
81	COVID -19 Emergency Trust Account – Pomio District	0.00	2.00	0.36	1.64
82	COVID -19 Emergency Trust Account – Rabaul District	0.00	2.00	0.08	1.92
83	COVID -19 Emergency Trust Account – Gazelle District	0.00	2.00	0.04	1.96
84	COVID -19 Emergency Trust Account – Kokopo District	0.00	2.00	1.67	0.33
85	COVID -19 Emergency Trust Account – Talasea District	0.00	2.00	0.82	1.18
86	COVID -19 Emergency Trust Account – Kandrian Gloucester District	0.00	1.98	0.45	1.53
87	COVID -19 Emergency Trust Account – North Bougainville District	0.00	2.00	1.05	0.95
88	COVID-19 Emergency Trust Account – Sohe District	0.00	2.00	1.85	0.15
89	COVID-19 Emergency Trust Account – Alotau District	0.00	2.00	0.85	1.15
TOTAL		4.91	173.34	105.01	73.24

Source: Department of Finance.

Note:

1. All the figures above are reported to the nearest millions.
2. N/A – The banks statements of the two trust accounts were not available at the time the report was compiled but could still be reported in 2021 MYEFO Report.

1.7 Government Superannuation Obligation

1.7.1 Nambawan Super Limited (NSL)

The *Superannuation (General Provisions) Act 2000*, requires the State to make mandatory superannuation contribution for the contributing Public Servants to an Authorized Superannuation Fund. In accordance with the Act, the State contributes 8.4 per cent of the base salary of each contributing employee to Nambawan Super Limited (NSL) as the employer's component.

The State's superannuation contribution for its employees has two separate components - the automation and exit payments. The Department of Treasury makes these payments to NSL for the contributing employees of the Public Service on behalf of the State.

1.7.2 Automation Payment

Since April 2012, the State has been fully paying its employer superannuation contribution through an automated payment. The automation process transfers the State's superannuation contribution allocated in a fiscal year electronically through the Government payroll system to NSL on a fortnightly basis for each employee.

In the 2020 Budget appropriation, the Government allocated around K161.8 million for the Automation payment. However, the original budget was significantly reduced to K34.6 million during the 2020 Supplementary Budget as part of the Government's measure in reallocating funding towards addressing the COVID-19 Pandemic. The 2020 outcome was significantly overspent by K268.0 million compared to the Supplementary Budget.

1.7.3 Exit Payment

The Government also makes annual appropriations to meet the State's employer portion of the superannuation benefits owed to members who have joined NSL (POSF then) prior to 2009. Back then, the State was only required to meet certain portions of the employer contributions and carried forward the balance as an unfunded portion of its liability which is only crystalized upon an employee's exit and the need to pay them arises.

In 2020, the Government reduced its allocation for exit payment from the 2020 Budget appropriation of K144.2 million to K72.4 million in the 2020 Supplementary Budget to cater for the Covid-19 related expenditures

In 2021, the Government has demonstrated its commitment to address the State's superannuation liability by allocating K144.2 million for exit payment. This will be sufficient to clear arrears for the last quarter of 2020 and invoices for this year.

The Government recognizes this as an important State liability and will do its best to address them in the future.

1.7.4 Defence Force Retirement Benefit Fund (DFRB FUND)

There are two separate retirement benefit schemes operating under the Defence Force Retirement Benefit (DFRB) Fund as a result of the legislative amendment to the *DFRB Fund Act* in November, 2015. These are the existing Defined Benefit (Pension) Scheme and the new Accumulation Scheme (exits) for the 8.4 per cent State's employer component for the members.

In 2020, the Government increased its allocation for members in the Accumulation Scheme (exits) to K25.2 million, of which K10.7 million was from the 2020 Budget appropriation and K14.5 million from the 2020 Supplementary Budget. The K25.2 million was used to pay out exits from January 2018 to January 2020.

For Pension, the Government allocated a total of K7.4 million in the 2020 Budget. Of this allocation, K4.9 million was paid for pension and K2.5 million was used to settle some of the outstanding Accumulation Scheme exiting members.

In the 2021 Budget, the Government has allocated K10.7 million for the exiting members in the Accumulation Scheme while around K7.4 million is allocated for the Pension Scheme members. Of the K165.0 million automation appropriated in the 2021 Budget, K10.4 million will be used to meet the State's employer contribution for members in the Accumulation Scheme. This will be automatically remitted to CTSL on a fortnightly basis.

Going forward, the Government will be in close consultation with the Comrade Trustee Services Limited (CTSL) in addressing the State's exit and pension liabilities.

1.8 Government Finance Statistics

In the 2013 Budget, the Government announced that it would be moving from an International Monetary Fund (IMF) GFSM 1986 framework of Budget reporting to an updated GFSM 2001 framework. The IMF in 2015 released an updated version of the GFSM 2001, the GFSM 2014.

The GFS 2014 framework is a macroeconomic statistical system designed to support fiscal analysis. The GFS-2014 framework incorporates economic and accounting principles that can be used when compiling government budgets and presenting fiscal statistics.

Since the 2016 Budget, the Government undertook a major reform to improve the reporting of its finances by moving to the updated international standard of reporting in GFS-2014. This has resulted in some re-categorisation of revenues and expenditures. Since then, the GFS 2014 framework has been implemented in five (5) other successive annual budgets namely 2017, 2018, 2019, 2020 and most recently, the 2021 Budget (Volume 1, Economic and Development Policies).

The new framework is also rolled out into other policy documents, namely the Mid-Year Economic & Fiscal Outlook (MYEFO) and the Final Budget Outcome (FBO) reports. Work is progressing well in having the GFS-2014 reform rolled out into Volume 2 of the budget documents. The aim is to have Volume 2 of the budget document GFS-2014 compliant by 2021.

Technical support from the IMF is ongoing in assisting the Government of PNG in implementing this important budget reform.

1.8.1 Changes between the GFSM 1986 and GFSM 2014

The updated framework allows for harmonisation with other macroeconomic frameworks, such as the System of National Accounts, Monetary Statistics and Trade Statistics, and also allows for cross-country comparisons. The GFSM 2014 represents a significant modernisation and expansion of the coverage of the previously used GFSM 1986.

The GFSM 2014 better defines the public sector and in particular the General Government Sector, as it is based on the concept of institutional unit coverage. The general government sector consists of all government units, representing budgetary Central Government,

Provincial Government, Local Government and extra-budgetary accounts within the country that are controlled and largely financed by the Government. In contrast, the coverage of the GFSM 1986 system was defined on a narrower functional basis to include all units carrying out a function of the Government.

Due to its broader and more extensive coverage of economic units, the GFSM 2014 allows for greater understanding of where and how the Government is spending its money, and therefore supports better decision making, economically as well as functionally.

Three (3) new tables were introduced to Volume 1 of the 2016 Budget: The Statement of Sources and Uses of Cash, the Statement of Operations, and the Classification of Functions of Government (COFOG)¹¹. It also includes a new reporting approach to the pre-existing Revenue and Expense (previously Expenditure) Tables, the Transactions in Financial Asset and Liabilities Table (replacing the Central Government Financing Table), and a revised General Government Debt table.

1.8.2 Balancing Items

Several new balancing items are introduced in the GFS framework, a consequence of the view that fiscal analysis must include a variety of considerations and that no single measure is sufficient for all purposes. In the GFSM 1986, the analytic framework is focused on a single balancing item, the overall deficit/surplus, although provision is made for other balancing items.

The analytical framework of the integrated GFS features several balancing items. The Statement of Operations includes the following:

- Net operating balance, which is defined as revenue minus expense and represents the change in net worth resulting from transactions.
- Net lending/net borrowing, which is defined as the net acquisition of financial assets minus the net-incurrence of liabilities, or, alternatively, as the net operating balance minus the net investment in nonfinancial assets; it is also equal to the gross operating balance minus gross investment in nonfinancial assets.

The Statement of Sources and Uses of Cash includes the cash surplus/deficit to indicate the balance of cash flows from government operations and the gross investment in nonfinancial assets. It is similar to the overall deficit/surplus of the GFSM 1986 except that net cash outflows from policy lending (lending minus repayment of policy-related transactions in financial assets or liabilities) are not subtracted.

Another balancing item in the GFS framework is the overall balance, defined as net lending/net borrowing adjusted through the rearrangement of transactions in assets and liabilities that are deemed to be for public policy purposes. Notably, policy lending is added to expense while privatization proceeds (including fixed asset sales) are included as transactions in financial items in calculating the overall fiscal balance. It is the equivalent of the overall deficit/surplus in the GFSM 1986, but determined using the accrual basis of recording.

Other balancing items in the GFS framework include net worth, net financial worth, the change in net worth, the change in net financial worth (all related to the balance sheet), the change in net worth from other economic flows, the primary balance, and savings. There are no similar balancing items in the GFSM 1986.

¹¹ Likely to feature in the new-look volume 2 budget books.

FISCAL TABLES

Table A: Statement of Operations for the General Government of Papua New Guinea

Kina Million	2019 Actuals	2020 Budget	2020 Suppl. Budget	2020 Outcome
TRANSACTIONS AFFECTING NET WORTH:				
Revenue	13,680.5	14,095.4	11,359.1	12,093.3
Taxes	10,918.1	11,161.5	9,647.2	9,802.1
<i>Taxes on Income, profits, and capital gains</i>	6,070.4	6,243.7	5,470.6	5,668.6
<i>Taxes on payroll and workforce</i>	1.9	0.0	1.4	0.4
<i>Taxes on goods and services</i>	3,936.6	4,065.5	3,437.9	3,372.7
<i>Taxes on international trade and transactions</i>	909.3	852.3	737.3	760.4
Grants	1,775.6	932.1	932.1	1,425.0
Other Revenue	986.8	2,001.8	779.8	866.2
<i>Dividends</i>	501.2	1,070.0	500.0	718.5
<i>PMMR Revenue</i>	405.1	768.5	205.0	85.0
<i>Fees and Charges</i>	80.5	162.6	74.1	62.7
<i>SWF Inflows</i>	0.0	0.0	0.0	0.0
<i>Interest & Fees from Lending</i>	0.0	0.7	0.7	0.0
Resource Revenue	1,141.9	1,322.5	511.2	751.9
<i>Mining and Petroleum Taxes</i>	760.7	522.5	161.2	183.4
<i>Mining, Petroleum and Gas Dividends</i>	381.2	800.0	350.0	568.5
<i>Of which: transfer from the Stabilization Fund (SWF)</i>	0.0	0.0	0.0	0.0
Revenue as percentage of GDP	16.2%	15.3%	13.9%	14.8%
Total Expenditure	17,852.5	18,726.5	17,989.3	19,397.8
Expense as percentage of GDP	21.1%	20.3%	22.0%	23.8%
Expense²	14,840.6	15,359.0	14,482.8	15,887.1
Compensation of employees	5,423.8	5,416.4	5,762.8	5,831.5
Use of goods and services	5,830.0	4,843.8	3,756.8	5,388.4
Interest	2,129.1	2,140.5	2,048.0	2,160.0
Grants	1,371.6	2,583.9	2,583.9	2,190.0
Social benefits	0.0	256.4	217.7	217.7
Other expense	86.1	118.1	113.6	99.4
Net Acquisition of Non-Financial Assets*	3,011.8	3,367.4	3,506.4	3,510.7
Fixed Assets	3,011.8	3,367.4	3,506.4	3,510.7
Gross Operating Balance³	-1,160.1	-1,263.7	-3,123.7	-3,793.7
Net Lending (+) / Net Borrowing (-)	-4,172.0	-4,631.1	-6,630.2	-7,304.4
Net lending/borrowing as percentage of GDP	-4.9%	-5.0%	-8.1%	-8.9%
Primary Balance ⁴	-2,042.9	-2,490.6	-4,582.2	-5,144.4
Non-resource net lending (+)/borrowing (-)	-5,313.9	-5,953.6	-7,141.4	-8,056.3
Non-resource primary balance	-3,184.8	-3,813.1	-5,093.4	-5,896.3
Transactions in financial assets and liabilities	4,172.0	4,631.1	6,630.2	7,304.4
Net Acquisition of Financial Assets	-783.9	0.0	-445.6	-802.9
Domestic	-783.9	0.0	-445.6	-802.9
External	0.0			
Net Incurrence of Liabilities	3,388.1	4,631.1	6,184.6	6,501.5
Domestic	1,054.3	757.2	1,923.0	2,882.0
<i>Debt securities: Treasury bills</i>	1,513.8	328.1	328.1	1,710.5
<i>Debt securities: Treasury bonds</i>	-355.7	529.6	1,695.4	1,266.2
<i>Loans</i>	-103.8	-100.5	-100.5	-94.7
External	2,333.9	3,873.8	4,261.6	3,619.5
<i>Debt securities: Sovereign bonds</i>	0.0	0.0	0.0	0.0
<i>Loans</i>	2,333.9	3,873.8	4,261.6	3,619.5
Gross Domestic Product⁵	84,554.1	92,206.2	81,627.0	81,627.0

Source: Department of Treasury

1. General government represents national and provincial governments, the Autonomous Bougainville government and commercial and statutory authorities. District and local level governments are reflected as grants from provincial governments. The statement is produced to reflect transactions on a modified cash basis of accounting and includes in-kind related transactions.

2. Include items that may require reclassification due to interfaces from the legacy systems, (The Provincial Government Accounting System, ALESCO payroll and the Department of Public Works and Implementation, Oracle system).

3. Represents, revenue minus expense, excluding consumption of fixed capital (CFC). CFC are not yet calculated and reported for the government accounts in PNG.

4. Represent net lending/net borrowing excluding interest expense or net interest expense.

5. Total nominal GDP by economic activity, Actual: National Statistics Office and Projections: Treasury Department.

*Net Acquisition of Non-Financial Assets, excludes operational costs like maintenance and repair of fixed assets which are included in the use of goods and services.

Table B: Statement of Sources and Uses of Cash for the General Government of Papua New Guinea

Kina Million	2019 Actuals	2020 Budget	2020 Suppl. Budget	2020 Outcome
CASH FLOWS FROM OPERATING ACTIVITIES				
Revenue Cash Flows	11,904.9	13,163.3	10,427.0	10,668.3
Taxes	10,918.1	11,161.5	9,647.2	9,802.1
Grants	0.0	0.0	0.0	0.0
Other Revenue	986.8	2,001.8	779.8	866.2
<i>Revenue as percentage of GDP</i>	<i>14.1%</i>	<i>14.3%</i>	<i>12.8%</i>	<i>13.1%</i>
Expense cash flows²	13,954.1	14,586.7	13,749.2	15,019.6
Compensation of employees	5,281.5	5,232.5	5,578.9	5,669.3
Uses of goods and services	5,085.7	4,511.8	3,424.8	4,891.8
Interest	2,129.1	2,140.5	2,048.0	2,160.0
Grants*	1,371.6	2,583.9	2,583.9	2,199.1
Other payments	86.1	118.1	113.6	99.4
<i>Expense as percentage of GDP</i>	<i>16.5%</i>	<i>15.8%</i>	<i>16.8%</i>	<i>18.4%</i>
Net cash inflow from operating activities	-2,049.2	-1,423.4	-3,322.2	-4,351.3
CASH FLOWS FROM TRANSACTIONS IN NONFINANCIAL ASSETS:				
Net cash outflow from investment in nonfinancial assets	1,962.4	2,750.9	2,889.9	2,568.3
Fixed assets	1,962.4	2,750.9	2,889.9	2,568.3
Inventories	0.0	0.0	0.0	0.0
Valuables	0.0	0.0	0.0	0.0
Nonproduced assets	0.0	0.0	0.0	0.0
Expenditure cash flows	15,916.5	17,337.6	16,639.1	17,587.9
Cash surplus (+) / Cash deficit (-)	-4,011.6	-4,174.3	-6,212.1	-6,919.5
<i>Surplus/Deficit as percentage of GDP</i>	<i>-4.7%</i>	<i>-4.5%</i>	<i>-7.6%</i>	<i>-8.5%</i>
CASH FLOWS FROM TRANSACTIONS IN FINANCIAL ASSETS AND LIABILITIES (FINANCING):				
Transactions in financial assets and liabilities	-4,172.0	-4,631.1	-6,630.2	-7,304.4
Net acquisition of financial assets	- 783.90	-	445.60	- 802.90
Domestic	- 783.90	-	445.60	- 802.90
External	-	-	-	-
Net incurrence of liabilities	3,388.1	4,631.1	6,184.6	6,501.5
Domestic	1,054.3	757.2	1,923.0	2,882.0
External	2,333.9	3,873.8	4,261.6	3,619.5
Net cash inflow from financing activities	4,172.0	4,631.1	6,630.2	7,304.4
<i>Net cash inflow as percentage of GDP</i>	<i>4.9%</i>	<i>5.0%</i>	<i>8.1%</i>	<i>8.9%</i>
Net change in the stock of cash	160.4	456.7	418.1	384.9
Gross Domestic Product³	84,554.1	92,206.2	81,627.0	81,627.0

Source: Department of Treasury

1. General government represents national and provincial governments, the Autonomous Bougainville government and commercial and statutory authorities. District and local level governments are reflected as grants from provincial governments. The statement is produced to reflect transactions on a modified cash basis of accounting but excludes in-kind related transactions.

2. Include items that may require reclassification due to interfaces from the legacy systems, (The Provincial Government Accounting System, ALESCO payroll and the Department of Public Works and Implementation, Oracle system).

3. Total nominal GDP by economic activity, Actual: National Statistics Office and Projections: Treasury Department.

Table C: General Government Revenue by Economic Classification

Kina Million	2019 Actuals	2020 Budget	2020 Suppl. Budget	2020 Outcome
REVENUE¹	13,680.5	14,095.4	11,359.1	12,093.3
TAXES	10,918.1	11,161.5	9,647.2	9,802.1
Taxes on Income, Profits and Capital Gains	6,070.4	6,243.7	5,470.6	5,668.6
Payable by individuals	3,211.6	3,215.0	3,308.0	3,517.3
Personal Income Tax	3,211.6	3,215.0	3,308.0	3,517.3
Salaries/Wages (Group Tax)	-	-	-	-
Individual Income Tax (Assessed)	-	-	-	-
Payable by corporations and other enterprises	2,500.6	2,657.3	1,865.0	1,787.9
Company Tax	1,696.9	2,085.4	1,648.6	1554.2
Mining and Petroleum Taxes	760.7	522.5	161.2	183.4
Royalties Tax	25.8	29.6	33.7	30.1
Management Tax	17.2	19.8	21.5	20.1
Other taxes on income, profits and capital gains	358.2	371.3	297.6	363.4
Dividend Withholding Tax Non Mining	215.0	241.0	171.0	215.9
Interest Withholding Tax	128.0	97.3	5.0	134.9
Non-Resident Insurers Withholding Tax	-	-	-	12.6
Tax Related Court Fines	14.6	33.0	121.4	-
Sundry IRC Taxes & Income	0.6	-	0.2	-
Taxes on Payroll and Workforce	1.9	-	1.4	0.4
Taxes on Goods and Services	3,936.6	4,065.5	3,437.9	3,372.7
General taxes on goods and services	2,299.2	2,267.7	2,038.2	2,122.5
Value Added Tax	2,252.5	2,212.2	2,002.9	2,079.2
GST ²	2,252.5	2,212.2	2,002.9	2,079.2
GST Collection at Provinces	1,368.2	1,349.6	1,305.9	1325.0
GST Collection at Ports	1,106.4	1,164.3	979.5	992.1
GST Refunds	276.5	301.7	282.6	228.0
Taxes on financial and capital transactions	46.6	55.5	35.3	43.3
Bank Account Debit Fees	-	-	-	-
Stamp Duties	46.6	55.5	35.3	43.3
Excise	1,360.7	1,507.0	1,237.9	1,074.6
Excise Duty	1,061.0	1,215.0	964.2	817.0
Import Excise	299.7	292.0	273.7	257.6
Taxes on specific services	273.0	288.8	156.9	172.0
Bookmakers' Turnover Tax	17.2	18.2	10.2	8.9
Gaming Machine Turnover Tax	227.2	246.7	140.2	157.7
Departure Tax	28.6	23.9	6.6	5.4
Taxes on use of goods and on permission to use goods or perform services	2.5	1.0	2.9	0.4
Motor vehicles taxes	2.0	0.3	2.3	0.0
Motor Vehicle Registration	2.0	0.3	2.3	0.0
Commercial Vehicle Licenses	0.0	0.0	0.0	-
Other taxes on use of goods and on permission to use goods or perform services	0.5	0.7	0.6	0.4
Bookmakers' Licenses	-	-	-	-
Coastal Trading Licenses	0.2	0.3	0.3	0.3
Registration of Vessels	-	-	-	-
Inflammable Liquid	0.2	0.2	0.2	-
Trade Licenses	0.0	0.0	0.0	-
Mobile Phone Licenses	-	-	-	-
Import and export trade licences	-	-	-	-
Insurers' and Brokers' Licences	0.0	0.1	0.0	0.0
Banking & Financial Institutions License	-	-	-	-
Liquor Licensing Fee	-	-	-	-
Motor Vehicle Trade Licenses	0.0	0.0	0.0	0.0
Other taxes on goods and services	1.2	1.0	2.0	3.2
Sundry Taxes (Customs)	1.2	1.0	2.0	3.2
Taxes on International Trade and Transactions	909.3	852.3	737.3	760.4
Customs and other import duties	511.2	427.8	347.3	359.5
Import Duty	409.4	427.8	347.3	359.5
Other Import Taxes	101.8	-	-	-
Mining Levy	-	-	-	-
Import Duties & Fees	-	-	-	-
Customs Duty & Related Taxes	-	-	-	-
General Import Levy	-	-	-	-
Value Added Tax Including Mining Levy	-	-	-	-
Sundry Tax Receipts (Import Duties)	101.8	-	-	-
Taxes on exports	398.1	424.5	390.0	400.9
Export Tax	398.1	424.5	390.0	400.9
GRANTS	1,775.6	932.1	932.1	1,425.0
From Foreign Governments	1,408.5	766.2	766.2	908.1
Current	1,126.8	612.9	612.9	726.5
Cash	-	-	-	-
In-Kind	1,126.8	612.9	612.9	726.5
Capital	281.7	153.2	153.2	181.6
Cash	-	-	-	-
In-Kind	281.7	153.2	153.2	181.6
From International Organizations	367.1	165.9	165.9	516.9
Current	293.7	132.7	132.7	413.5
Cash	-	-	-	-
In-Kind	293.7	132.7	132.7	413.5
Capital	73.4	33.2	33.2	103.4
Cash	-	-	-	-
In-Kind	73.4	33.2	33.2	103.4
OTHER REVENUE	986.8	2,001.8	779.8	866.2
Property Income	529.5	1,173.7	525.4	741.1
Interest	-	0.7	0.7	-
Interest from non-residents	-	-	-	-
Interest from residents other than general government	-	0.7	0.7	-
Dividends	501.2	1,070.0	500.0	718.5
Mining Petroleum and Gas Dividends	381.2	800.0	350.0	568.5
Dividends from Statutory Authorities	120.0	170.0	150.0	150.0
Rent	28.2	103.1	24.7	22.6
Sales of goods and services	37.3	46.7	34.2	9.4
Sales by market establishments	-	-	-	-
Administrative fees	14.2	4.0	4.6	4.5
Incidental sales by nonmarket establishments	23.0	42.7	29.6	4.8
Imputed sales of goods and services	-	-	-	-
Fines, penalties, and forfeits	1.8	0.8	1.8	2.8
Sheriff's Fees and Poundage	0.0	0.0	0.0	0.0
Judicial Fines	0.0	0.0	0.0	0.0
Fines - Criminal	0.0	0.0	0.0	0.0
District Courts Fines	0.8	0.3	0.8	0.9
Forfeitures & Court Bails	1.0	0.4	1.0	1.9
Transfers not elsewhere classified	418.2	780.6	218.3	113.0

Source: Department of Treasury

- Under the GFS 2014 methodology, non-payable infrastructure tax credits, revenue on asset sales, recoveries and Trust Accounts are not classified as revenue
- GST represents the total of collections by Provinces, PNG Ports and less Refunds.

Table D (i): General Budgetary Expenditure by Economic Classification

Kina Million	2019 Actuals	2020 Budget	2020 Suppl. Budget	2020 Outcome
Compensation of Employees	5,423.8	5,416.4	5,762.8	5,831.5
Wages and salaries	4,827.5	4,542.4	4,632.4	5,221.0
Wages and salaries in cash	4,685.2	4,358.5	4,448.5	5,058.8
Wages and salaries in kind	142.2	183.9	183.9	162.2
Employers' social contributions	596.3	874.0	1,130.4	610.4
Actual social contributions	596.3	874.0	1,130.4	610.4
Use of goods and services*	5,830.0	4,843.8	3,756.8	5,388.4
Use of goods and services	5,830.0	4,843.8	3,756.8	5,388.4
Use of goods and services	5,830.0	4,843.8	3,756.8	5,388.4
Interest**	2,129.1	2,140.5	2,048.0	2,160.0
To nonresidents	449.0	573.3	521.4	468.1
Interest to Non residents	449.0	573.3	521.4	468.1
To residents other than general government	1,680.1	1,567.2	1,526.6	1,691.9
Interest to residents other than general governments	1,680.1	1,567.2	1,526.6	1,691.9
Grants***	1,371.6	2,583.9	2,583.9	2,190.0
Grants to other general government units	1,371.6	2,583.9	2,583.9	2,190.0
Grants to other general governments current	1,370.1	1,975.4	1,975.4	1,732.1
Grants to other general governments capital	1.5	608.4	608.4	457.9
Social Benefits	0.0	256.4	217.7	217.7
Social assistance benefits	0.0	256.4	217.7	217.7
Social assistance benefits in cash	0.0	256.4	217.7	217.7
Other expenses	86.1	113.0	113.0	99.4
Transfers not elsewhere classified	86.1	113.0	113.0	99.4
Other expense - Current transfers not elsewhere classified	86.1	113.0	113.0	99.4
Net Aquisition Nonfinancial assets****	3,011.8	3,367.4	3,506.4	3,510.7
Nonproduced assets	0.0	0.2	0.2	0.0
NFA: Intangible nonproduced assets	0.0	0.0	0.0	0.0
NFA: Land	0.0	0.2	0.2	0.0
Aquisition of Fixed assets	3,011.8	3,367.2	3,506.2	3,510.7
NFA: Buildings and structures	0.0	926.9	926.9	1,050.5
NFA: Dwellings	0.0	49.5	49.5	0.0
NFA: Fixed assets	2,402.7	1,826.8	1,826.8	1,711.8
NFA: Information, computer, & telecommunications equipment	10.3	53.6	53.6	60.6
NFA: Machinery & equipment other than transport equipment	19.8	15.3	15.3	19.2
NFA: Other structures	11.8	46.0	185.0	0.2
NFA: Transport equipment	5.7	6.5	6.5	6.7
Other expense - Current transfers not elsewhere classified	561.4	442.7	442.7	661.8
Total expenditure	17,852.5	18,721.4	17,988.6	19,397.8
<i>as % of GDP</i>	<i>21.1%</i>	<i>20.3%</i>	<i>22.0%</i>	<i>23.8%</i>

Source: Department of Treasury

* Use of goods and services includes operational cost like maintenance and repair of fixed assets.

** Excluding K5.1 million for fees, other than interest, captured under use of goods and services.

*** Grants are inclusive of payments made to other general government units for the purposes of capital projects.

**** Net Acquisition of Non-Financial Assets, excludes operational costs like maintenance and repair of fixed assets which are included in the use of goods and services.

Table D (ii): General Budgetary Government Expenditure by Economic Classification

Kina Million	2019 Outcome	2020 Budget	2020 Suppl. Budget	2020 Outcome
National Departments	8,120.4	7,943.6	7,318.9	7,855.1
Compensation of Employees	2,632.8	2,414.6	2,721.0	2,671.5
Wages and salaries	2,087.4	1,574.8	1,624.8	2,131.7
Wages and salaries in cash	2,009.2	1,477.8	1,527.8	2,044.9
Wages and salaries in kind	78.3	97.0	97.0	86.8
Employers' social contributions	545.4	839.7	1,096.1	539.8
Actual social contributions	545.4	839.7	1,096.1	539.8
Use of goods and services	4,107.7	3,251.2	2,358.7	3,489.4
Use of goods and services	4,107.7	3,251.2	2,358.7	3,489.4
Use of goods and services	4,107.7	3,251.2	2,358.7	3,489.4
Grants	727.5	776.9	776.9	607.2
Grants to other general government units	727.5	776.9	776.9	607.2
Grants to other general governments current	727.5	776.9	776.9	607.2
Grants to other general governments capital	0.0	0.0	0.0	0.0
Other expenses	84.8	111.2	111.2	97.7
Transfers not elsewhere classified	84.8	111.2	111.2	97.7
Other expense - Current transfers not elsewhere classified	84.8	111.2	111.2	97.7
Net Acquisition Nonfinancial assets	567.6	1,180.7	1,180.7	819.5
Nonproduced assets	0.0	0.2	0.2	0.0
NFA: Intangible nonproduced assets	0.0	0.0	0.0	0.0
NFA: Land	0.0	0.2	0.2	0.0
Acquisition of Fixed assets	567.6	1,180.4	1,180.4	819.5
NFA: Buildings and structures	0.0	10.0	10.0	0.0
NFA: Dwellings	0.0	15.0	15.0	0.0
NFA: Fixed assets	533.9	1,099.2	1,099.2	800.5
NFA: Information, computer, & telecommunications equipment	10.2	7.4	7.4	7.7
NFA: Machinery & equipment other than transport equipment	7.5	15.3	15.3	6.4
NFA: Other structures	11.8	27.1	27.1	0.2
NFA: Transport equipment	4.2	6.4	6.4	4.8
Social Benefits	0.0	208.5	169.8	169.8
Provincial Governments	3,123.9	3,940.3	3,885.6	4,579.8
Compensation of Employees	1,960.2	1,686.3	1,726.3	2,135.1
Wages and salaries	1,916.3	1,640.8	1,680.8	2,089.6
Wages and salaries in cash	43.9	45.5	45.5	45.5
Wages and salaries in kind	0.1	0.0	0.0	0.0
Employers' social contributions	0.1	0.0	0.0	0.0
Actual social contributions	0.1	0.0	0.0	0.0
Use of goods and services	520.7	522.7	427.9	831.5
Use of goods and services	520.7	522.7	427.9	831.5
Use of goods and services	520.7	522.7	427.9	831.5
Grants	636.4	1,686.3	1,686.3	1,555.8
Grants to other general government units	636.4	1,686.3	1,686.3	1,555.8
Grants to other general governments current*	634.9	1,077.9	1,077.9	1,110.8
Grants to other general governments capital	1.5	608.4	608.4	445.0
Net Acquisition Nonfinancial assets	6.5	45.0	45.0	57.4
Acquisition of Fixed assets	6.5	45.0	45.0	57.4
NFA: Fixed assets*	6.5	45.0	45.0	57.4
Autonomous Bougainville Government	159.4	241.0	241.0	240.4
Compensation of Employees	123.9	118.5	118.5	142.4
Wages and salaries	123.9	118.5	118.5	142.4
Wages and salaries in cash	120.5	109.5	109.5	133.4
Wages and salaries in kind	3.4	9.0	9.0	9.0
Employers' social contributions	0.0	0.0	0.0	0.0
Actual social contributions	0.0	0.0	0.0	0.0
Use of goods and services	33.5	97.5	97.5	69.9
Use of goods and services	33.5	97.5	97.5	69.9
Use of goods and services	33.5	97.5	97.5	69.9
Grants	0.0	25.0	25.0	28.1
Grants to other general government units	0.0	25.0	25.0	28.1
Grants to other general governments current	0.0	25.0	25.0	6.1
Grants to other general governments capital	0.0	0.0	0.0	22.0
Net Acquisition Nonfinancial assets	2.0	0.0	0.0	0.0
Fixed Assets	2.0	0.0	0.0	0.0
Commercial & Statutory Authorities	1,214.3	2,147.6	2,182.4	1,564.7
Compensation of Employees	706.7	1,197.0	1,197.0	882.4
Wages and salaries	656.0	1,162.7	1,162.7	811.8
Wages and salaries in cash	639.3	1,130.4	1,130.4	790.9
Wages and salaries in kind	16.6	32.3	32.3	20.9
Employers' social contributions	50.8	34.3	34.3	70.6
Actual social contributions	50.8	34.3	34.3	70.6
Use of goods and services	300.7	551.0	451.2	398.2
Use of goods and services	300.7	551.0	451.2	398.2
Use of goods and services	300.7	551.0	451.2	398.2
Grants	7.8	95.6	95.6	8.0
Grants to other general government units	7.8	95.6	95.6	8.0
Grants to other general governments current	7.8	95.6	95.6	8.0
Other expenses	1.3	1.9	1.9	1.8
Transfers not elsewhere classified	1.3	1.9	1.9	1.8
Other expense - Current transfers not elsewhere classified	1.3	1.9	1.9	1.8
Net Acquisition Nonfinancial assets	197.7	249.7	388.7	226.3
Acquisition of Fixed assets	197.7	249.7	388.7	226.3
NFA: Buildings and structures	0.0	2.3	2.3	0.0
NFA: Dwellings	0.0	34.5	34.5	0.0
NFA: Information, computer, and telecommunications (ICT) equipment	0.1	0.3	0.3	0.3
Social Benefits	0.0	48.0	48.0	48.0
Debt Service (Interest plus fees and charges)	2,147.2	2,156.9	2,064.4	2,165.1
Use of goods and services	18.1	16.4	16.4	5.1
Use of goods and services	18.1	16.4	16.4	5.1
Use of goods and services	18.1	16.4	16.4	5.1
Interest	2,129.1	2,140.5	2,048.0	2,160.0
To nonresidents	449.0	573.3	521.4	468.1
Interest to Non residents	449.0	573.3	521.4	468.1
To residents other than general government	1,680.1	1,567.2	1,526.6	1,691.9
Interest to residents other than general governments	1,680.1	1,567.2	1,526.6	1,691.9
Expenditure supported by donor grants¹	1,775.6	932.1	932.1	1,424.9
Use of goods and services	726.2	315.6	315.6	482.5
Use of goods and services	726.2	315.6	315.6	482.5
Use of goods and services	726.2	315.6	315.6	482.5
Net Acquisition Nonfinancial assets	1,049.4	616.5	616.5	942.4
Acquisition of Fixed assets (Buildings and Structures)	1,049.4	616.5	616.5	942.4
NFA: Fixed assets	621.6	213.2	213.2	325.9
Other expense - Current transfers not elsewhere classified	427.8	403.3	403.3	616.5
Expenditure financed by concessional loans¹	1,311.7	1,365.0	1,365.0	1,567.8
Use of goods and services	123.2	89.5	89.5	102.8
Use of goods and services	123.2	89.5	89.5	102.8
Use of goods and services	123.2	89.5	89.5	102.8
Net Acquisition Nonfinancial assets	1,188.6	1,275.5	1,275.5	1,465.0
Acquisition of Fixed assets (Buildings and Structures)	1,188.6	1,275.5	1,275.5	1,465.0
NFA: Buildings and structures	0.0	914.6	914.6	1,050.5
NFA: Fixed assets	1,056.0	275.7	275.7	316.7
NFA: Information, computer, & telecommunications equipment	0.0	45.8	45.8	52.6
NFA: Machinery & equipment other than transport equipment	0.0	0.0	0.0	0.0
Other expense - Current transfers not elsewhere classified	133.6	39.4	39.4	45.3
Total expenditure as % of GDP	17,852.5	18,726.5	17,989.3	19,397.8
	21.1%	20.3%	22.0%	23.8%

Source: Department of Treasury

Table E: Transaction in Assets and Liabilities for the General Government

Kina Million	2019 Actuals	2020 Budget	2020 Suppl. Budget	2020 Outcome
Net Acquisition of Financial Assets	-783.9	0.0	-445.6	-802.9
Domestic	-783.9	0.0	-445.6	-802.9
Currency and deposits	-783.9	0.0	-445.6	-802.9
Other accounts receivable	0.0	0.0		
External	0.0	0.0	0.0	0.0
Net Incurrence of Liabilities	3,388.1	4,631.1	6,184.6	6,501.5
Domestic	1,054.3	757.2	1,923.0	2,882.0
Debt securities	1,158.1	857.7	2,023.5	2,976.7
<i>New instruments</i>	12,327.2	11,431.2	12,832.7	15,715.2
<i>Amortisation</i>	-11,169.1	-10,573.5	-10,809.2	-12,738.5
<i>Treasury Bills</i>	1,513.8	328.1	328.1	1,710.5
<i>New instruments</i>	11,691.5	9,600.3	9,600.3	13,147.7
<i>Amortisation</i>	-10,177.7	-9,272.2	-9,272.2	-11,437.2
<i>Treasury Bonds</i>	-355.7	529.6	1,695.4	1,266.2
<i>New instruments</i>	635.7	1,830.9	3,232.4	2,567.5
<i>Amortisation</i>	-991.4	-1,301.3	-1,537.0	-1,301.3
Loans	-103.8	-100.5	-100.5	-94.7
<i>New borrowing</i>	0.0	0.0	0.0	0.0
<i>Amortisation</i>	-103.8	-100.5	-100.5	-94.7
Insurance, pension, and standardized guarantee schemes	0.0	0.0		0.0
Financial derivatives and employee stock options	0.0	0.0		0.0
Other accounts payable	0.0	0.0		0.0
External	2,333.9	3,873.8	4,261.6	3,619.5
Debt securities	0.0	0.0	0.0	0.0
<i>New instruments</i>	0.0	0.0	0.0	0.0
<i>Amortisation</i>	0.0	0.0	0.0	0.0
<i>Concessional financing</i>	0.0	0.0	0.0	0.0
<i>New instruments</i>	0.0	0.0	0.0	0.0
<i>Amortisation</i>	0.0	0.0	0.0	0.0
<i>Commercial financing</i>	0.0	0.0	0.0	0.0
<i>New instruments</i>	0.0	0.0	0.0	0.0
<i>Amortisation</i>	0.0	0.0	0.0	0.0
<i>Extraordinary financing</i>	0.0	0.0	0.0	0.0
<i>New instruments</i>	0.0	0.0	0.0	0.0
<i>Amortisation</i>	0.0	0.0	0.0	0.0
Loans	2,333.9	3,873.8	4,261.6	3,619.5
<i>New borrowing</i>	2,726.4	6,106.9	6,494.7	5,982.0
<i>Amortisation</i>	-392.6	-2,233.1	-2,233.1	-2,362.6
<i>Concessional financing</i>	968.0	992.5	992.5	1,154.9
<i>New borrowing</i>	1,311.7	1,365.0	1,365.0	1,567.8
<i>Amortisation</i>	-343.7	-372.5	-372.5	-412.9
<i>Commercial financing</i>	36.8	85.5	-882.2	-876.3
<i>New borrowing</i>	54.8	967.7	0.0	18.1
<i>Amortisation</i>	-17.9	-882.2	-882.2	-894.4
<i>Extraordinary financing</i>	1,329.1	2,795.8	4,151.3	3,340.8
<i>New borrowing</i>	1,359.9	3,774.2	5,129.7	4,396.1
<i>Amortisation</i>	-30.9	-978.4	-978.4	-1,055.3
Insurance, pension, and standardized guarantee schemes	0.0			
Financial derivatives and employee stock options	0.0			
Other accounts payable	0.0			

Source: Department of Treasury.

1. General government represents national and provincial governments, the Autonomous Bougainville government and commercial and statutory authorities.

* Holdings gains and losses (or revaluation) is a change in the monetary value of an asset or liability resulting from changes in the level and structure of prices (for example, from changes in interest rates) and/or exchange rates, assuming that the assets or liabilities has not changed qualitatively or quantitatively.

Table F: Stocks in General Government Debt

Kina Million	2019 Actuals	2020 Budget	2020 Suppl. Budget	2020 Outcome
Domestic	19,333.5	20,140.3	21,327.4	22,215.6
Debt securities	18,157.9	19,064.9	20,181.4	21,134.7
<i>Treasury Bills</i>	<i>10,191.3</i>	<i>10,012.9</i>	<i>10,519.4</i>	<i>11,901.8</i>
<i>Treasury Bonds</i>	<i>7,966.6</i>	<i>9,052.0</i>	<i>9,662.0</i>	<i>9,232.8</i>
Loans	1,175.6	1,075.4	1,146.0	1,080.9
External	14,333.4	17,044.7	18,595.0	17,952.8
Debt securities	1,700.7	1,700.7	1,700.7	1,700.7
<i>Concessional financing</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>
<i>Commercial financing</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>
<i>Extraordinary financing</i>	<i>1,700.7</i>	<i>1,700.7</i>	<i>1,700.7</i>	<i>1,700.7</i>
Loans	12,632.7	15,344.0	16,894.3	16,252.1
<i>Concessional financing</i>	<i>8,676.7</i>	<i>9,166.0</i>	<i>9,669.2</i>	<i>9,831.6</i>
<i>Commercial financing</i>	<i>1,970.4</i>	<i>1,982.8</i>	<i>1,088.2</i>	<i>1,094.1</i>
<i>Extraordinary financing</i>	<i>1,985.6</i>	<i>4,195.2</i>	<i>6,136.9</i>	<i>5,326.4</i>
Total Central Government Debt	33,666.9	37,185.0	39,922.4	40,168.4
<i>Total debt as percentage of GDP</i>	<i>40.0%</i>	<i>43.8%</i>	<i>48.9%</i>	<i>49.2%</i>
Gross Domestic Product²	84,108.6	84,871.1	81,627.0	81,627.0

Source: Department of Treasury.

1. General government represents national and provincial governments, the Autonomous Bougainville government and commercial and statutory authorities.

2. Total nominal GDP by economic activity, Actual: National Statistics Office and Projections: Department of Treasury

PART 2

2020 BUDGET OUTCOME BY AGENCY

2.1 Overview

Part Two (2) of the Final Budget Outcome (FBO) reports on the performance of the Government's actual expenditure against set estimates in the 2020 (Initial and Revised) Budget. This section provides an assessment on the GoPNG component of the revised Capital and Operational Budget and an analysis on specific categories of expenditure. The budget and expenditure data used in this report is sourced from the Integrated Financial Management System (IFMS). This section of the report excludes reporting of Bookmakers Turnover Taxes (BTT) and Goods & Services Tax (GST) transfers to Provinces, due to insufficient information on how the funding is expended under the respective expenditure economic item. Also, this section excludes Donor Support Grants and Concessional Loan Draw Downs, and reports specifically on warranting, transfers and the expenditure of appropriated GoPNG funds.

The 2020 initial GoPNG budget was K15,843.3 million. This was revised down to K15,036.6 million through the supplementary budget in September 2020. The Supplementary Budget approved a total reduction of K2,295.5 million: K1,557.5 million under operational appropriations and K738.0 million under capital appropriation. From this reduction, a total of K1,558.5 million was re-appropriated back – operational budget (K711.5 million) and capital budget (K847.0 million). Overall, the supplementary budget comprised a net reduction of K737.0 million which was mainly from the operational component of the budget to fund the Covid-19 Emergency Response and Economic Stimulus Programs.

The 2020 Mid-Year Economic and Fiscal Outlook (MYEFO) report projected a worse yet delicate economic and fiscal situation of contracting economic growth translating to a massive reduction in GoPNG revenue of K2.7 billion or almost one quarter of original revenue projection, against the dire need for expenditure augmentation to accommodate for the unbudgeted K645.0 million COVID-19 expenditure whilst ensuring economic stimulus. This required fiscal readjustments through the 2020 Supplementary Budget. Largely, the re-appropriations in the 2020 Budget went towards the payment of COVID-19 related expenditures and capital budget expenditure implemented through provincial governments and District Development Authorities. The re-appropriated K1,558.5 million catered for COVID-19 specific expenses related to: Capital Investment (K847.0 million); Salary shortfalls and outstanding domestic debt servicing (K396.0 million); COVID-19 containment (K189.9 million); COVID-19 activities (K101.6 million); Repatriations (K15.0 million); COVID-19 intervention (K6.0 million); and the National Operating Centre (K3.0 million).

Table 29: GoPNG Funded Expenditure Summary (Kina' Million)¹

Detail	Initial Budget	2020 Sup. Budget	Revised Budget*	2020 Outcome	Variance
Operational	12,159.9	11,014.3	10,992.8	11,912.9	8.4%
Compensation of Employees	5,672.7	5,762.8	4,972.5	6,049.3	21.7%
Goods and Services	3,885.6	2,646.0	3,437.5	3,103.0	-9.7%
Function Grants	444.7	541.1	588.2	595.5	1.3%
Debt (Interest Repayment)	2,156.9	2,064.4	1,994.7	2,165.1	8.5%
Capital Investment	3,683.4	4,092.0	4,043.8	3,908.9	-3.3%
PIP	2,508.4	3,204.0	3,155.8	3,020.9	-4.3%
SIPs	1,175.0	888.0	888.0	888.0	0.0%
Grand Total	15,843.3	15,106.3	15,036.6	15,821.8	5.2%

Source: Department of Treasury

¹ As highlighted above, this table excludes reporting of GST & BTT transfers to Provinces due to insufficient data on how or where these funds are expended at the provincial level.

*Revised Budget reflects the figures in the system and section 3 and Section 4 transfers explained in part 1 for the FBO.

"Variance" column in tables compares each 'Expenditure/Outcome' as at 31st December 2020, against its revised appropriation and total transfers

At the conclusion of the 2020 financial year, the total GoPNG funded expenditure outcome stood at K15,821.7 million, a significant over spend of K785.1 million or 5.2 per cent above the 2020 revised budget of K15,036.6 million. This outcome comprises (mostly) of overspending of operations by K920.1 million and offset by underspending in capital investment by K135.0 million.

The over expenditure in the revised operational budget comprises overspending in Compensation of Employees by K1,076.8 million and Debt (interests repayment) by K170.4 million, whilst Goods and Services underspent by K334.5 million and Function Grants over by K7.4 million against the revised budget.

Table 30: Summary of GoPNG Fund Movements

	2020 SB Appro.	Movements /Transfers	2020 revised
Operational Expenditure	11,014.3	-21.5	10,992.8
Compensation of Employees	5,762.8	-790.3	4,972.5
Goods and Services	2,646.0	791.5	3,437.5
Function Grants	541.1	47	588.1
Debt (Interest Repayment)	2,064.4	-69.7	1,994.7
Capital Expenditure	4,092.0	-48.2	4,043.8
PIP	3,204.0	-48.2	3,155.8
SIP	888.0	0	888.0
Total GoPNG Expenditure	15,106.3	-69.7	15,036.6

Source: Department of Treasury.

The transfer of funding between Operations and Capital appropriation has slightly reduced the budget by K69.7 million or 0.5 per cent from the time of the Supplementary Budget. This reflects significant reduction in CoE appropriation by K790.3 million¹², K69.7 million Interest cost and Capital Investment by K48.2 million to cater for increased demand in operational goods and services related to COVID-19 pandemic. The funding for provincial functional grants has increased by K47.0 million to support COVID -19 related activities in Provincial and District level.

The G&S budget was reduced by 7.9 per cent or K306.7 from its initial budget. G&S budget outcome is further reduced against the revised budget appropriation by 2.5 per cent less than the revised budget reflecting the reduced operations of the government machinery and the cancelation and deferment of major government programs, such as the 2020 Census. These actions were necessary to contain the spread of the pandemic and focus limited resources to COVID-19 specific activities.

Ongoing annual underspending of the G&S budget service items such as rentals and utility bills has led to the accumulation of arrears and liabilities, which further exacerbates budget inefficiencies. In ensuring this inefficiency is appropriately addressed, the Government through the Arrears Verification Committee (AVC) initiated a quality assurance process, which validates and expedites the servicing of outstanding arrears and current year's overdue payments.

¹² In the 2020 Supplementary Budget, CoE had an appropriation of K5,762.8 million which covered all CoE related expenses including arrears and this was reported in Part 1. However, there were transfers done as per section 3 & 4 to cover under budgeted areas in goods and services. Refer to section 3 & 4 for more detail.

The capital investment budget outcome indicates an over spent by K4.0 million or 0.1 per cent against the revised budget reflecting, entirely overspending in the public Investment program (PIP). The revised capital budget was increased on aggregate by 8.9 per cent from the initial budget reflecting the increased of 21.7 per cent in the PIP budget as the government sought to strengthen funding for the COVID-19 response. The Administration and Provinces' sector budgets increased by 41.0 per cent and 72.0 per cent respectively as the capital budget catered for the national response and the decentralization of COVID-19 preparedness. SIP funding was reduced by 20.0 per cent from the initial budget, however the sum of the revised budget was expanded to aid the COVID-19 response.

2.2 2020 Expenditure Outcome by Category

Section 2.2 provides an analysis of expenditure outcomes by categories. Table 31 shows the items under the CoE category and their performance against their revised budget in 2020.

The CoE budget was revised downwards by 12.3 per cent to K4,972.5 million, a reduction of approximately K790.0 million. However, Compensation of Employees actual expenditure of K6,049.3 million was well above the revised budget by 21.6 per cent, continuing the unfavourable trend of annual overruns.

Table 31: Expenditure Items under CoE category (Kina' Million)

Details	Initial Budget	Revised Budget	2020 Outcome	Variance
Operational	5,672.8	4,972.5	6,049.4	21.7%
Compensation of Employees	5,672.8	4,972.5	6,049.4	21.7%
Salaries & Allowances	2,372.5	2,354.7	2,750.7	16.8%
Teacher Salaries Grants	1,379.9	1,379.9	1,894.9	37.3%
Retirement	1,130.4	445.7	610.4	37.0%
Staffing Grants	358.7	358.7	365.4	1.9%
Leave Fares	129.4	124.5	108.4	-12.9%
Wages Allowances	126.2	127.2	137.3	8.0%
Members of Parliament Salaries	68.9	74.6	74.6	0.0%
Teachers Leave Fares	40.2	40.2	40.2	0.0%
Overtime	33.4	33.9	36.9	8.9%
Public Service Leave Fares	14.3	14.3	14.3	-0.4%
ABG Parliamentary Services Allowances	8.2	8.2	8.2	0.0%
Contract Officers Education Benefit	7.2	7.1	5.5	-23.0%
ABG Electoral Commission	1.9	1.9	1.3	-32.7%
ABG Community Allowances	1.6	1.6	1.1	-32.7%
Leave Fares-Contract	0.0	0.0	0.2	0.0%
Payroll Cost	0.0	0.0	0.0	0.0%
Grand Total	5,672.8	4,972.5	6,049.4	21.7%

Source: Department of Treasury

The categories of CoE that over expended where in Teachers Salary Grants (37.3 per cent), Retirement (37.0 per cent and Salaries and Allowances (16.8 per cent). Teachers Salary Grants over expanded by K515.0 million or 37.3 per cent, with the highest overspend of about 86.0 per cent or K60.3 million for Southern Highlands provincial administration over the revised budget and the lowest overspend at 15 per cent or K3.9 million for Manus provincial administration.

Retirement funding over expanded K164.7 million. The major over spenders in retirement were Nambawan Supa-Automation payments or State share contribution to Nambawn Supa which expanded more than over by 100.0 per cent of its revised appropriation with K268.0 million and the Law and Justice Sector overspent by K6.7 million or 9 per cent over its revised budget. Salaries and Allowances item was over expanded by K396.5 million or

17.0 per cent of the aggregate revised budget. The major over spending sectors for salaries and allowances were Health (39.0 per cent), Transport (21.0 per cent) and Education (20.0 per cent).

In an effort to manage the public services insistent payroll overruns, the government has begun work for a four-way payroll quality assurance process, which introduces periodic (fortnightly) payroll monitoring and management reports. These reports are run from the payroll and compared against agency monthly CoE expenditure targets. Agencies that exceed their monthly targets are required to audit their payrolls in consultation with the Departments of Personnel Management and Finance. This will be an ongoing process and will in turn inform the anticipated CoE trend for the year and detail the required CoE Budget for the following years.

This initiative will not immediately curb the public services rising pay bill but will present individual agencies with real time data on their pay roll expenditure and allow them to be responsible for appraising and maintaining the management of their own pay roll. The implementation of this process will be headed by the Organisational Staffing Personnel Emoluments Audit Committee (OSPEAC) who are also responsible for implementing other government directives to control and manage the public service wage bill.

The OSPEAC will also continue its effort to set credible public service CoE budgets by conducting the staffing and establishment reviews for public servants and teachers and carrying out retirement exercises in the whole of public services.

Table 32 below shows the expenditure outcome by sectors. Government agencies are categorised into sectors according to the nature of their roles and functions. The variance column highlights the magnitude of over or underspending, against each sector's revised appropriation.

Table 32: GoPNG Funded Expenditure by Sectors (Kina' Million)

Details	Initial Budget	Revised Budget	2020 Outcome	Variance
Administration	1,697.1	1,994.8	1,827.3	-8.4%
Operational	954.4	1,077.8	948.1	-12.0%
Capital Investment	742.7	917.0	879.2	-4.1%
Community & Culture	91.2	96.1	99.2	3.1%
Operational	59.2	72.1	75.2	4.2%
Capital Investment	32.0	24.0	24.0	0.0%
Debt Services	2,156.9	1,994.7	2,165.1	8.5%
Operational	2,156.9	1,994.7	2,165.1	8.5%
Economic	624.9	707.1	705.0	-0.3%
Operational	267.9	254.1	255.0	0.4%
Capital Investment	357.0	453.0	449.9	-0.7%
Education	1,186.0	695.3	741.0	6.6%
Operational	1,073.0	597.3	655.0	9.7%
Capital Investment	113.0	98.0	86.0	-12.3%
Health	1,338.9	1,359.7	1,622.5	19.3%
Operational	1,244.9	1,289.3	1,564.0	21.3%
Capital Investment	94.0	70.4	58.5	-16.9%
Law & Justice	1,366.2	1,418.7	1,560.2	10.0%
Operational	1,224.2	1,263.7	1,408.3	11.4%
Capital Investment	142.0	155.0	151.9	-2.0%
Miscellaneous	2,518.7	1,783.0	1,660.4	-6.9%
Operational	2,518.7	1,783.0	1,660.4	-6.9%

Provinces	3,899.7	4,045.9	4,285.0	5.9%
Operational	2,346.0	2,393.0	2,917.5	21.9%
Capital Investment	1,553.7	1,652.9	1,367.5	-17.3%
Transport	841.1	834.9	1,048.0	25.5%
Operational	275.1	228.9	223.6	-2.3%
Capital Investment	566.0	606.0	824.3	36.0%
Utilities	122.8	106.4	108.1	1.6%
Operational	39.8	38.9	40.6	4.3%
Capital Investment	83.0	67.5	67.5	0.0%
Grand Total	15,843.3	15,036.6	15,821.7	5.2%

Source: Department of Treasury

The 2020 final budget outcome expenditure by sector and budget category highlights whole of government actual expenditure by sector. This table also illustrates whether sectors have expanded above or below the 2020 revised budget. On aggregate the whole of government expenditure was 5.2 per cent above the revised budget and 0.1 per cent above the initial budget. The highest over spending sector was the Transport Sector (25.5 per cent) followed by the Health sector (19.3 per cent) and the Education and Law and Justice Sectors (with 6.6 per cent and 10.0 per cent respectively). While the Miscellaneous sector was underspent by 6.9 per cent. Compensation of Employees expenditure was by far the most over spent expenditure category, with the exception of the Administration sector (K-167.5 million) all sectors over expanded CoE budget.

2.3 Section 3 & Section 4 Transfers

The section 3 and section 4 of the *Appropriation Act 2020* provides for accounts control and transfer of funding under certain circumstances deemed necessary by the Government. Transfers occur either between agencies and or from activities within an agency and can be authorised by Secretary for Treasury and or in consultation with Minister.

2.3.1 Section 3 Secretary's Advance

Section 3 provides for transfer from the Secretary's Advance (SA). It is sourced as and when unforeseen expenditures are required that were not expected to occur at the time of budget preparation. This is actioned through Section 3 movements.

A total of K40.6 million was the Original Appropriation for the Secretary Advance (Sec 3) in the 2020 Budget, for which this amount was fully utilised by the end of the fiscal year. The major sectors that required transfers from SA were Administration, Education and Miscellaneous Sectors. The funds transferred were to cater for the programs and budget shortfalls within these sectors.

A total of K16.1 million was transferred to the Administrations Sector to fund the Commission of Inquiry (K12.5 million) into the UBSA loan and by election callouts (K2.5 million) while a total of (K9.9 million) to Education Sector for Education Support (K8.0 million) and UNICEF Reimbursement (K1.8 million).

The Miscellaneous Sector (K9.6 million) catered for other priority budget activities like the Legal Bills (K1.3 million) and Outstanding Bills (K7.0 million) while the bulk of the transfers facilitated were for other priority activities that are unbudgeted and were recommended for budget support like the Other Commitments Ledger Account (OCLA). Refer table below for fund movement.

Refer Table 33 below for fund movement.

Table 33: Section 3 (Secretary's) Advance (Kina, Million)

Sector	Amount
Administration	16.2
Education	9.9
Miscellaneous	9.6
Provinces	2.0
Transport	3.0
Grand Total	40.6

Source: Department of Treasury

2.3.2 Section 4 Transfers

The Section 4 budget movement is allowed under the *Appropriation Act 2020* to provide agencies with budget support and other budget needs necessary in both the capital and operations budgets.

A total net of K5.8 billion was a result of movements within and between agencies using section 4 provision in the 2020 fiscal year. This is to cater for mostly budget shortfalls within agencies appropriation levels and for budget support to programs within agencies. The transfers from CoE of K790.0 million to G&S reflects the section 4 movements to cover for under-budgeted areas of G&S.

The total transfers within agencies was K1.4 billion and the highest net transfers occurred under the Miscellaneous Sector. This catered for State Liabilities (Outstanding legal bills and arrears), COVID-19 related expenditure and Security Call-outs.

The transfers between agencies (in and out of activities and programs within agencies) was at a total of K4.4 billion. The highest transfers occurred under the Provincial Sector and catered for Capital Works, Infrastructure Development Grant, and Service Improvement Programs (SIPs) including Water and Sanitation Hygiene (WaSH) and MSME (Micro Small Medium Enterprises) to support the Provincial Governments during the Covid 19 Pandemic.

Below is the table showing Section 4 Transfers by Sectors.

Table 34: Section 4 Transfers

Sector	Transfer Within	Transfer In and Out	Section 4 Net
Administration	33.6	202.5	236.1
Community Culture	1.2	19.1	20.3
Debt Servicing	126.6	93.3	219.9
Economic	33.0	708.9	741.9
Education	5.5	784.8	790.3
Health	3.2	319.5	322.7
Law and Justice	15.0	389.2	404.3
Miscellaneous	1,206.1	128.5	1,334.6
Provinces	7.2	1,439.6	1,446.8
Transport	5.5	259.3	264.8
Utilities	0.0	11.3	11.3
Total	1,436.8	4,356.2	5,793.0

Source: Department of Treasury

Table 35 below shows all fund movements done within each government funded agencies in 2020 Budget to fund respective activities and programs. The total transfers of K1.4 billion were transferred notably against these big activities and programs which were Covid-19 (K305.0 million), WaSH (K302.8 million), (TFF K100.0 million) and others. See details below.

Table 35: Transfers within Agencies by Activities (Kina, Million)

Particulars/Descriptions	Amount
Arrears	69.7
Budget Shortfalls	94.6
By-elections	0.0
Capital Works	14.3
Commitments	41.3
COVID-19	305.0
Debt services	97.7
Disaster	0.8
Health	0.0
HELP	4.8
IDG	6.2
legal bills	19.8
Medical drugs	0.0
MSME	0.0
OLCA	4.0
Other Various expenditure	137.5
Outstanding Bills	63.5
PNG Games	0.0
Retirement vote	14.5
Security/ Call Outs	9.3
Service allowances	2.7
SGS LOG Monitoring	0.0
SIP	0.0
Special Intervention Program	0.0
Supplementary Budget	148.5
TFF	100.0
Wash	302.8
Total	1,436.8

Source: Department of Treasury

Table 36 below shows transfers of funds in and out of various government funded agencies by activities and programs in 2020 budget. The most notable activities and programs that experienced huge funds movements were, the 2020 Supplementary Budget (K1.852 billion), Covid 19 Expenditure (K313.1m) ,Budget Support (K13.7 million) and Outstanding Bill (K162.3 million) etc. See details below.

Table 36: Transfers In and Out of Agencies by Activities (Kina, Million)

Particulars/Descriptions	Amount
Arrears	0.0
Budget Shortfalls	13.7
By-elections	20.7
Capital Works	142.7
Commitments	0.0
COVID-19	313.1
Debt services	0.8

Particulars/Descriptions	Amount
Disaster	0.0
Health	15.0
HELP	525.8
IDG	46.5
legal bills	22.6
Medical drugs	2.0
MSME	30.0
OLCA	18.5
Other Various expenditure	567.3
Outstanding Bills	162.3
PNG Games	15.0
Retirement vote	38.2
Security/ Call Outs	5.1
Service allowances	7.4
SGS LOG Monitoring	6.0
SIP	150.0
Special Intervention Program	10.0
Supplementary Budget	1,851.8
TFF	210.9
Wash	180.8
Total	4,356.2

Source: Department of Treasury

3.0 Attachments

- Attachment A shows the budget outcome for each agency by budget type and component and by and sectoral classification.
- Attachment B: Section 4 Transfers by Agency (Kina, Million)
- Attachment C: Section 4 Transfers Out of Agencies (Kina, Million)
- Attachment D: Section 4 Transfers Into Agencies (Kina, Million)

Attachment A: Budget outcome by Budget Component and expenditure item (activity for capital) for each agency respective of types and sectoral classification. (Kina' Million).

Details	Initial Budget	Supp. & Transfers	Revised Budget	2020 Outcome	Variance (%)
Administration	1,549,004.66	- 306.01	1,855,009.78	1,741,079.83	-6.5%
National Departments	1,291,543.66	- 336.33	1,627,877.78	1,533,272.17	-6.2%
201 National Parliament	137,918.00	- 40.00	177,918.00	172,917.99	-2.9%
Operational	137,918.00	- 28.50	166,418.00	161,417.99	-3.1%
Compensation Of Employees[GFS]	113,351.00	- 30.00	143,351.00	138,351.00	-3.6%
Use of goods and services [GFS]	18,198.51	0.70	17,498.51	17,498.51	0.0%
Non financial assets	5,637.18	0.80	4,837.18	4,837.18	0.0%
Subsidies	731.31	-	731.31	731.30	0.0%
Capital Investment	-	- 11.50	11,500.00	11,500.00	0.0%
Use of goods and services [GFS]	-	- 11.50	11,500.00	11,500.00	0.0%
202 Office of Governor-General	11,256.00	0.15	11,106.23	11,047.10	-0.5%
Operational	11,256.00	0.15	11,106.23	11,047.10	-0.5%
Compensation Of Employees[GFS]	3,016.00	- 0.44	3,451.00	3,452.79	0.1%
Use of goods and services [GFS]	7,920.05	0.28	7,635.34	7,574.43	-0.8%
Non financial assets	319.95	0.30	19.89	19.89	0.0%
203 Department of Prime Minister & NEC	156,723.00	1.27	155,456.75	136,012.15	-14.3%
Operational	99,723.00	- 11.23	110,956.75	99,266.16	-11.8%
Compensation Of Employees[GFS]	57,089.00	-	57,089.00	59,932.70	4.7%
Use of goods and services [GFS]	41,529.00	- 12.14	53,664.23	39,139.96	-37.1%
Non financial assets	1,105.00	0.90	203.52	193.50	-5.2%
Capital Investment	57,000.00	12.50	44,500.00	36,745.99	-21.1%
Use of goods and services [GFS]	52,000.00	10.50	41,500.00	33,832.32	-22.7%
Non financial assets	5,000.00	2.00	3,000.00	2,913.67	-3.0%
204 National Statistical Office	61,395.00	37.72	23,675.00	23,262.84	-1.8%
Operational	10,395.00	1.72	8,675.00	8,377.83	-3.5%
Compensation Of Employees[GFS]	7,541.00	- 0.45	7,991.00	7,695.37	-3.8%
Use of goods and services [GFS]	2,854.00	2.17	684.00	682.46	-0.2%
Capital Investment	51,000.00	36.00	15,000.00	14,885.01	-0.8%
Compensation Of Employees[GFS]	-	-	-	- 0.07	100.0%
Use of goods and services [GFS]	51,000.00	36.00	15,000.00	14,885.07	-0.8%
205 Office of Bougainville Affairs	4,581.00	0.17	4,410.83	4,644.81	5.0%
Operational	4,581.00	0.17	4,410.83	4,644.81	5.0%
Compensation Of Employees[GFS]	2,565.00	-	2,565.00	2,799.56	8.4%
Use of goods and services [GFS]	1,996.96	0.15	1,844.22	1,843.65	0.0%
Non financial assets	19.05	0.02	1.61	1.60	0.0%
206 Department of Finance	113,343.00	- 76.76	190,107.39	196,970.67	3.5%
Operational	40,343.00	- 15.76	56,107.39	61,027.39	8.1%
Compensation Of Employees[GFS]	22,002.00	-	22,002.00	26,669.92	17.5%
Use of goods and services [GFS]	18,017.00	- 15.93	33,945.03	34,180.84	0.7%
Non financial assets	324.00	0.16	160.36	176.63	9.2%
Reserve For Contingencies	-	-	-	-	0.0%
Capital Investment	73,000.00	- 61.00	134,000.00	135,943.28	1.4%
Use of goods and services [GFS]	58,000.00	- 73.50	131,500.00	133,443.28	1.5%
Non financial assets	5,000.00	2.50	2,500.00	2,500.00	0.0%
Grants	10,000.00	10.00	-	-	0.0%
208 Department of Treasury	47,064.64	- 89.60	136,663.63	122,611.08	-11.5%
Operational	47,064.64	5.40	41,663.63	39,011.08	-6.8%
Compensation Of Employees[GFS]	20,824.00	3.40	17,424.00	15,313.35	-13.8%
Use of goods and services [GFS]	18,284.72	- 0.60	18,881.23	18,593.11	-1.5%
Non financial assets	7,955.92	2.60	5,358.40	5,104.63	-5.0%
Capital Investment	-	- 95.00	95,000.00	83,600.00	-13.6%
Use of goods and services [GFS]	-	- 95.00	95,000.00	83,600.00	-13.6%
209 Registrar For Political Parties	7,463.00	0.40	7,062.57	8,242.39	14.3%
Operational	7,463.00	0.40	7,062.57	8,242.39	14.3%
Compensation Of Employees[GFS]	4,998.00	-	4,998.00	6,691.64	25.3%
Use of goods and services [GFS]	1,408.00	0.28	1,132.49	1,090.26	-3.9%

Details	Initial Budget	Supp. & Transfers	Revised Budget	2020 Outcome	Variance (%)
Non financial assets	51.00	0.02	26.68	26.47	-0.8%
Subsidies	1,006.00	0.10	905.40	434.03	-108.6%
212 Information Technology Division	7,580.00	0.64	6,937.54	5,829.51	-19.0%
Operational	7,580.00	0.64	6,937.54	5,829.51	-19.0%
Compensation Of Employees[GFS]	3,797.00	-	3,797.00	2,670.50	-42.2%
Use of goods and services [GFS]	3,773.48	0.63	3,139.96	3,150.23	0.3%
Non financial assets	9.52	0.01	0.58	8.79	93.4%
213 Fire Services	25,411.00	3.37	22,043.47	26,132.50	15.6%
Operational	20,411.00	1.37	19,043.47	23,132.50	17.7%
Compensation Of Employees[GFS]	16,523.00	-	16,523.00	20,597.22	19.8%
Use of goods and services [GFS]	3,856.00	1.34	2,520.47	2,535.27	0.6%
Non financial assets	32.00	0.03	-	-	0.0%
Capital Investment	5,000.00	2.00	3,000.00	3,000.00	0.0%
Non financial assets	5,000.00	2.00	3,000.00	3,000.00	0.0%
217 Department of Foreign Affairs and Trade	55,892.00	6.59-	62,483.30	35,706.55	-75.0%
Operational	50,892.00	- 11.59	62,483.30	35,706.55	-75.0%
Compensation Of Employees[GFS]	38,821.00	-	38,821.00	17,690.05	-119.5%
Use of goods and services [GFS]	12,071.00	- 11.59	23,662.30	18,016.50	-31.3%
Capital Investment	5,000.00	5.00	-	-	0.0%
Non financial assets	5,000.00	5.00	-	-	0.0%
219 PNG Institute of Public Administration	10,242.00	1.43	8,813.63	10,930.38	19.4%
Operational	8,242.00	0.43	7,813.63	9,930.38	21.3%
Compensation Of Employees[GFS]	6,968.00	-	6,968.00	9,077.54	23.2%
Use of goods and services [GFS]	1,274.00	0.43	845.63	852.84	0.8%
Capital Investment	2,000.00	1.00	1,000.00	1,000.00	0.0%
Use of goods and services [GFS]	2,000.00	1.00	1,000.00	1,000.00	0.0%
220 Department of Personnel Management	24,110.00	- 13.92	38,033.92	34,413.13	-10.5%
Operational	21,110.00	- 13.92	35,033.92	31,415.56	-11.5%
Compensation Of Employees[GFS]	15,684.00	- 16.67	32,350.06	28,987.65	-11.6%
Use of goods and services [GFS]	5,044.00	2.74	2,308.59	2,053.24	-12.4%
Non financial assets	382.00	0.01	375.27	374.67	-0.2%
Capital Investment	3,000.00	-	3,000.00	2,997.57	-0.1%
Use of goods and services [GFS]	2,000.00	-	2,000.00	1,997.57	-0.1%
Non financial assets	1,000.00	-	1,000.00	1,000.00	0.0%
221 Public Service Commission	10,136.00	1.99	8,148.43	7,761.02	-5.0%
Operational	7,136.00	0.49	6,648.43	7,415.33	10.3%
Compensation Of Employees[GFS]	5,510.00	-	5,510.00	6,276.93	12.2%
Use of goods and services [GFS]	1,043.22	0.43	609.15	601.99	-1.2%
Non financial assets	582.78	0.05	529.28	536.41	1.3%
Capital Investment	3,000.00	1.50	1,500.00	345.69	-333.9%
Use of goods and services [GFS]	3,000.00	1.50	1,500.00	345.69	-333.9%
227 Provincial Treasuries	41,043.00	1.63	39,410.08	46,238.45	14.8%
Operational	41,043.00	1.63	39,410.08	46,238.45	14.8%
Compensation Of Employees[GFS]	34,095.00	0.00	34,094.40	42,492.58	19.8%
Use of goods and services [GFS]	6,790.33	1.47	5,315.68	3,745.88	-41.9%
Non financial assets	157.67	0.16	-	-	0.0%
229 Department of National Planning and Monitoring	403,468.00	- 145.11	548,581.09	510,022.54	-7.6%
Operational	31,268.00	- 26.71	57,981.09	22,712.06	-155.3%
Compensation Of Employees[GFS]	16,890.00	-	16,890.00	14,090.09	-19.9%
Use of goods and services [GFS]	14,016.15	- 26.71	40,729.25	8,260.12	-393.1%
Non financial assets	361.85	0.00	361.85	361.85	0.0%
Capital Investment	372,200.00	- 118.40	490,600.00	487,310.48	-0.7%
Use of goods and services [GFS]	128,200.00	- 283.30	411,500.00	408,264.87	-0.8%
Non financial assets	79,000.00	20.00	59,000.00	58,945.60	-0.1%
Grants	165,000.00	144.90	20,100.00	20,100.00	0.0%
230 Electoral Commission	15,478.00	- 15.26	30,734.03	29,215.59	-5.2%
Operational	15,478.00	- 15.26	30,734.03	29,215.59	-5.2%
Compensation Of Employees[GFS]	8,141.00	-	8,141.00	6,754.13	-20.5%
Use of goods and services [GFS]	7,158.95	- 15.43	22,589.99	22,458.42	-0.6%
Non financial assets	178.05	0.18	3.04	3.04	0.0%
232 Provincial and Local Government Affairs	52,197.00	- 7.44	59,633.72	55,467.47	-7.5%
Operational	26,197.00	-25.44	51,633.72	47,657.46	-8.3%
Compensation Of Employees[GFS]	11,940.97	-	11,940.97	9,117.35	-31.0%
Use of goods and services [GFS]	14,214.89	- 25.47	39,684.02	38,526.78	-3.0%
Non financial assets	41.14	0.03	8.73	13.34	34.5%
Capital Investment	26,000.00	18.00	8,000.00	7,810.01	-2.4%
Use of goods and services [GFS]	1,000.00	-	1,000.00	999.32	-0.1%
Non financial assets	20,000.00	15.00	5,000.00	4,820.24	-3.7%
Grants	5,000.00	3.00	2,000.00	1,990.45	-0.5%

Details	Initial Budget	Supp. & Transfers	Revised Budget	2020 Outcome	Variance (%)
262 Department of Industrial Relations	30,259.01	2.12	28,141.96	28,185.87	0.2%
Operational	28,259.01	1.62	26,641.96	26,685.87	0.2%
Compensation Of Employees[GFS]	16,606.00	-	16,606.00	17,296.69	4.0%
Use of goods and services [GFS]	11,481.61	1.56	9,922.47	9,172.30	-8.2%
Non financial assets	171.40	0.14	34.30	33.66	-1.9%
Grants	-	- 0.08	79.19	183.22	56.8%
Capital Investment	2,000.00	0.50	1,500.00	1,500.00	0.0%
Use of goods and services [GFS]	2,000.00	0.50	1,500.00	1,500.00	0.0%
263 National Tripartite Consultative Council	611.00	0.05	563.29	670.81	16.0%
Operational	611.00	0.05	563.29	670.81	16.0%
Compensation Of Employees[GFS]	466.00	-	466.00	574.13	18.8%
Use of goods and services [GFS]	145.00	0.05	97.29	96.69	-0.6%
267 Department of Implementation and Rural Development	69,140.00	5.78	63,359.02	62,715.98	-1.0%
Operational	7,640.00	0.78	6,859.02	6,215.98	-10.3%
Compensation Of Employees[GFS]	6,334.00	-	6,334.00	5,581.82	-13.5%
Use of goods and services [GFS]	1,160.79	0.66	501.07	604.66	17.1%
Non financial assets	145.22	0.12	23.94	29.50	18.8%
Capital Investment	61,500.00	5.00	56,500.00	56,500.00	0.0%
Use of goods and services [GFS]	6,000.00	5.00	1,000.00	1,000.00	0.0%
Grants	55,500.00	-	55,500.00	55,500.00	0.0%
268 Central Supply & Tenders Board	6,233.00	1.64	4,593.89	4,273.34	-7.5%
Operational	5,233.00	0.64	4,593.89	4,273.34	-7.5%
Compensation Of Employees[GFS]	2,379.00	-	2,379.00	2,249.08	-5.8%
Use of goods and services [GFS]	2,834.06	0.63	2,202.43	2,012.32	-9.4%
Non financial assets	19.94	0.01	12.45	11.94	-4.3%
Capital Investment	1,000.00	1.00	-	-	0.0%
Use of goods and services [GFS]	1,000.00	1.00	-	-	0.0%
Statutory Authorities	257,461.00	30.33	227,132.00	207,807.66	-9.3%
211 PNG Customs Service	86,170.00	9.15	77,019.37	74,508.77	-3.4%
Operational	72,170.00	5.45	66,719.37	65,408.77	-2.0%
Compensation Of Employees[GFS]	51,580.00	-	51,580.00	51,626.42	0.1%
Use of goods and services [GFS]	18,926.00	4.31	14,620.08	13,287.92	-10.0%
Non financial assets	1,664.00	1.14	519.29	494.43	-5.0%
Capital Investment	14,000.00	3.70	10,300.00	9,100.00	-13.2%
Use of goods and services [GFS]	4,500.00	1.70	2,800.00	2,800.00	0.0%
Non financial assets	9,500.00	2.00	7,500.00	6,300.00	-19.0%
215 PNG Immigration and Citizenship Services	15,108.00	-	15,108.00	18,954.07	20.3%
Operational	15,108.00	-	15,108.00	18,954.07	20.3%
Compensation Of Employees[GFS]	15,108.00	-	15,108.00	18,954.07	20.3%
216 Internal Revenue Commission	109,635.00	14.44	95,195.34	80,410.50	-18.4%
Operational	104,635.00	12.44	92,195.34	79,410.50	-16.1%
Compensation Of Employees[GFS]	66,444.00	-	66,444.00	56,315.81	-18.0%
Use of goods and services [GFS]	35,684.00	11.56	24,120.71	21,532.27	-12.0%
Non financial assets	2,507.00	0.88	1,630.62	1,562.42	-4.4%
Capital Investment	5,000.00	2.00	3,000.00	1,000.00	-200.0%
Use of goods and services [GFS]	5,000.00	2.00	3,000.00	1,000.00	-200.0%
358 Manan resettlement Authority	13,000.00	4.65	8,353.38	6,797.72	-22.9%
Operational	5,000.00	0.65	4,353.38	2,798.30	-55.6%
Compensation Of Employees[GFS]	-	- 2.18	2,180.00	1,117.60	-95.1%
Use of goods and services [GFS]	5,000.00	2.83	2,173.38	1,680.70	-29.3%
Capital Investment	8,000.00	4.00	4,000.00	3,999.42	0.0%
Grants	8,000.00	4.00	4,000.00	3,999.42	0.0%
502 Office of the Auditor-General	25,272.00	0.94	24,333.47	21,916.17	-11.0%
Operational	25,272.00	0.94	24,333.47	21,916.17	-11.0%
Compensation Of Employees[GFS]	15,134.00	-	15,134.00	12,716.70	-19.0%
Use of goods and services [GFS]	9,809.52	0.80	9,007.23	9,007.23	0.0%
Non financial assets	328.48	0.14	192.24	192.24	0.0%
506 National Training Council	3,188.00	0.41	2,778.98	1,825.46	-52.2%
Operational	3,188.00	0.41	2,778.98	1,825.46	-52.2%
Compensation Of Employees[GFS]	1,846.00	-	1,846.00	1,113.26	-65.8%
Use of goods and services [GFS]	1,335.60	0.40	932.30	711.51	-31.0%
Non financial assets	6.40	0.01	0.68	0.68	0.0%
507 National Economic & Fiscal Commission	5,088.00	0.74	4,343.46	3,394.97	-27.9%
Operational	5,088.00	0.74	4,343.46	3,394.97	-27.9%
Compensation Of Employees[GFS]	2,172.00	-	2,172.00	1,223.51	-77.5%
Use of goods and services [GFS]	2,863.31	0.74	2,118.76	2,118.76	0.0%
Non financial assets	52.70	-	52.70	52.70	0.0%
Community & Culture	106,563.03	- 5.59	112,154.71	112,522.18	0.3%

Details	Initial Budget	Supp. & Transfers	Revised Budget	2020 Outcome	Variance (%)
National Departments	33,772.00	1.06	32,711.16	40,833.70	19.9%
233 Office of Censorship	7,575.00	1.10	6,476.74	7,207.32	10.1%
Operational	5,575.00	0.60	4,976.74	5,707.32	12.8%
Compensation Of Employees[GFS]	2,854.00	-	2,854.00	3,610.26	20.9%
Use of goods and services [GFS]	2,505.11	0.48	2,024.85	1,999.18	-1.3%
Non financial assets	215.89	0.12	97.89	97.89	0.0%
Capital Investment	2,000.00	0.50	1,500.00	1,500.00	0.0%
Use of goods and services [GFS]	500.00	0.50	-	500.00	100.0%
Non financial assets	1,500.00	-	1,500.00	1,000.00	-50.0%
237 PNG National Commission for UNESCO	-	-	-	1,383.41	100.0%
Operational	-	-	-	1,383.41	100.0%
Compensation Of Employees[GFS]	-	-	-	1,383.41	100.0%
242 Department of Community Development	24,829.00	- 0.04	24,866.43	30,754.30	19.1%
Operational	11,829.00	- 2.04	13,866.43	19,754.30	29.8%
Compensation Of Employees[GFS]	7,492.00	-	7,492.00	13,379.68	44.0%
Use of goods and services [GFS]	4,003.95	- 2.08	6,083.38	6,083.57	0.0%
Subsidies	333.05	0.04	291.05	291.05	0.0%
Capital Investment	13,000.00	2.00	11,000.00	11,000.00	0.0%
Use of goods and services [GFS]	9,000.00	2.00	7,000.00	7,000.00	0.0%
Non financial assets	4,000.00	-	4,000.00	4,000.00	0.0%
246 Office of Urbanization	1,368.00	-	1,368.00	1,488.66	8.1%
Operational	1,368.00	-	1,368.00	1,488.66	8.1%
Compensation Of Employees[GFS]	1,368.00	-	1,368.00	1,488.66	8.1%
Statutory Authorities	72,791.03	- 6.65	79,443.54	71,688.47	-10.8%
243 National Volunteer Services	5,929.00	0.61	5,323.71	4,362.33	-22.0%
Operational	4,929.00	0.61	4,323.71	3,362.33	-28.6%
Compensation Of Employees[GFS]	2,751.00	0.50	2,250.62	1,289.24	-74.6%
Use of goods and services [GFS]	2,149.45	0.10	2,049.09	2,049.09	0.0%
Non financial assets	28.55	0.00	24.00	24.00	0.0%
Capital Investment	1,000.00	-	1,000.00	1,000.00	0.0%
Use of goods and services [GFS]	100.00	-	100.00	100.00	0.0%
Non financial assets	900.00	-	900.00	900.00	0.0%
351 National Office for Child & Family Services	5,511.00	0.10	5,413.55	3,700.78	-46.3%
Operational	3,511.00	0.10	3,413.55	1,700.78	-100.7%
Compensation Of Employees[GFS]	1,798.00	-	1,798.00	85.23	-2009.5%
Use of goods and services [GFS]	1,665.42	0.09	1,574.95	1,574.95	0.0%
Non financial assets	47.58	0.01	40.60	40.60	0.0%
Capital Investment	2,000.00	-	2,000.00	2,000.00	0.0%
Use of goods and services [GFS]	2,000.00	-	2,000.00	2,000.00	0.0%
352 PNG Office of Civil Registration & National Identity	4,852.00	- 1.80	6,650.16	5,972.08	-11.4%
Operational	4,852.00	- 1.80	6,650.16	5,972.08	-11.4%
Compensation Of Employees[GFS]	3,901.00	-	3,901.00	3,237.32	-20.5%
Use of goods and services [GFS]	951.00	- 1.80	2,749.16	2,734.76	-0.5%
355 Office of Library & Archives	9,188.03	1.20	7,992.89	5,900.12	-35.5%
Operational	9,188.03	1.20	7,992.89	5,900.12	-35.5%
Compensation Of Employees[GFS]	4,205.55	-	4,205.55	2,112.78	-99.1%
Use of goods and services [GFS]	4,257.37	0.98	3,278.48	3,278.48	0.0%
Non financial assets	239.80	0.02	215.48	215.48	0.0%
Subsidies	390.15	0.16	234.07	234.08	0.0%
Grants	95.16	0.04	59.31	59.31	0.0%
516 Papua New Guinea Sports Foundation	20,511.00	- 8.18	28,693.29	28,334.80	-1.3%
Operational	13,511.00	-12.18	25,693.29	25,334.80	-1.4%
Compensation Of Employees[GFS]	7,612.00	-	7,612.00	7,253.71	-4.9%
Use of goods and services [GFS]	5,819.64	- 12.18	18,001.93	18,001.73	0.0%
Non financial assets	79.36	-	79.36	79.36	0.0%
Capital Investment	7,000.00	4.00	3,000.00	3,000.00	0.0%
Use of goods and services [GFS]	1,500.00	1.00	500.00	500.00	0.0%
Non financial assets	5,500.00	3.00	2,500.00	2,500.00	0.0%
521 National Youth Commission	7,592.00	0.56	7,033.10	7,759.98	9.4%
Operational	5,592.00	0.56	5,033.10	5,759.98	12.6%
Compensation Of Employees[GFS]	2,980.00	-	2,980.00	3,707.51	19.6%
Use of goods and services [GFS]	1,841.85	0.36	1,485.21	1,485.21	0.0%
Non financial assets	294.36	0.19	101.00	101.00	0.0%
Subsidies	475.79	0.01	466.89	466.27	-0.1%
Capital Investment	2,000.00	-	2,000.00	2,000.00	0.0%
Use of goods and services [GFS]	1,000.00	-	1,000.00	1,000.00	0.0%
Non financial assets	1,000.00	-	1,000.00	1,000.00	0.0%
539 National Museum and Art Gallery	10,243.00	2.21	8,029.05	6,218.53	-29.1%
Operational	8,243.00	0.71	7,529.05	5,718.53	-31.7%

Details	Initial Budget	Supp. & Transfers	Revised Budget	2020 Outcome	Variance (%)
Compensation Of Employees[GFS]	5,074.00	-	5,074.00	3,660.93	-38.6%
Use of goods and services [GFS]	2,420.00	0.53	1,891.20	1,502.38	-25.9%
Non financial assets	177.00	0.10	75.50	75.86	0.5%
Subsidies	96.00	0.02	78.07	69.07	-13.0%
Grants	476.00	0.07	410.29	410.29	0.0%
Capital Investment	2,000.00	1.50	500.00	500.00	0.0%
Use of goods and services [GFS]	450.00	0.45	-	-	0.0%
Non financial assets	1,550.00	1.05	500.00	500.00	0.0%
542 National Cultural Commission	8,965.00	-1.34	10,307.80	9,439.86	-9.2%
Operational	5,965.00	- 1.34	7,307.80	6,439.86	-13.5%
Compensation Of Employees[GFS]	4,110.00	0.70	3,410.00	2,542.06	-34.1%
Use of goods and services [GFS]	1,855.00	2.04	3,897.80	3,897.80	0.0%
Capital Investment	3,000.00	-	3,000.00	3,000.00	0.0%
Use of goods and services [GFS]	500.00	-	500.00	500.00	0.0%
Non financial assets	2,500.00	-	2,500.00	2,500.00	0.0%
Economic	628,245.00	- 81.71	709,952.24	707,785.86	-0.3%
National Departments	356,549.00	- 119.12	475,664.89	471,266.04	-0.9%
245 Conservation and Environment Protection Authority	16,518.00	4.00	12,518.00	7,384.94	-69.5%
Operational	10,018.00	-	10,018.00	7,384.94	-35.7%
Compensation Of Employees[GFS]	10,018.00	-	10,018.00	7,384.94	-35.7%
Capital Investment	6,500.00	4.00	2,500.00	-	0.0%
Use of goods and services [GFS]	6,500.00	4.00	2,500.00	-	0.0%
247 Department of Agriculture and Livestock	24,620.00	- 50.37	74,988.29	79,478.44	5.6%
Operational	13,620.00	- 0.37	13,988.29	18,481.10	24.3%
Compensation Of Employees[GFS]	10,820.00	-	10,820.00	15,304.39	29.3%
Use of goods and services [GFS]	2,705.00	- 0.42	3,129.29	3,137.71	0.3%
Non financial assets	95.00	0.06	39.00	39.00	0.0%
Capital Investment	11,000.00	- 50.00	61,000.00	60,997.34	0.0%
Use of goods and services [GFS]	5,000.00	- 50.00	55,000.00	54,997.34	0.0%
Non financial assets	6,000.00	-	6,000.00	6,000.00	0.0%
252 Department of Lands and Physical Planning	44,350.00	13.93	30,416.40	28,622.69	-6.3%
Operational	29,350.00	4.93	24,416.40	22,687.14	-7.6%
Compensation Of Employees[GFS]	18,310.00	-	18,310.00	16,560.59	-10.6%
Use of goods and services [GFS]	9,875.00	4.37	5,502.12	5,522.52	0.4%
Non financial assets	1,165.00	0.56	604.29	604.03	0.0%
Capital Investment	15,000.00	9.00	6,000.00	5,935.55	-1.1%
Use of goods and services [GFS]	15,000.00	9.00	6,000.00	5,935.55	-1.1%
254 Department of Mineral Policy and Geohazards Management	15,730.00	2.80	12,931.17	12,485.96	-3.6%
Operational	11,230.00	0.80	10,431.17	9,987.09	-4.4%
Compensation Of Employees[GFS]	5,210.00	-	5,210.00	5,478.82	4.9%
Use of goods and services [GFS]	5,500.00	0.29	5,210.81	4,497.92	-15.8%
Non financial assets	520.00	0.51	10.36	10.36	0.0%
Capital Investment	4,500.00	2.00	2,500.00	2,498.87	0.0%
Use of goods and services [GFS]	3,000.00	2.00	1,000.00	999.32	-0.1%
Non financial assets	1,500.00	-	1,500.00	1,499.54	0.0%
255 Department of Petroleum and Energy	30,371.00	5.43	24,937.95	23,207.09	-7.5%
Operational	25,371.00	4.43	20,937.95	19,210.23	-9.0%
Compensation Of Employees[GFS]	10,953.01	- 1.69	12,645.01	10,942.75	-15.6%
Use of goods and services [GFS]	12,867.74	4.80	8,063.23	8,037.79	-0.3%
Non financial assets	1,550.24	1.32	229.71	229.68	0.0%
Capital Investment	5,000.00	1.00	4,000.00	3,996.86	-0.1%
Use of goods and services [GFS]	5,000.00	1.00	4,000.00	3,996.86	-0.1%
261 Department of Commerce and Industry	224,960.00	- 94.91	319,873.08	320,086.93	0.1%
Operational	16,960.00	2.59	14,373.08	15,087.02	4.7%
Compensation Of Employees[GFS]	10,110.00	1.09	9,025.00	9,926.12	9.1%
Use of goods and services [GFS]	6,783.14	1.46	5,325.63	5,138.44	-3.6%
Non financial assets	66.86	0.04	22.45	22.45	0.0%
Capital Investment	208,000.00	- 97.50	305,500.00	304,999.91	-0.2%
Use of goods and services [GFS]	208,000.00	97.50	305,500.00	304,999.91	-0.2%
Statutory Authorities	271,696.00	37.41	234,287.34	236,519.81	0.9%
269 Office of Tourism Arts and Culture	-	-	-	70.61	100.0%
Operational	-	-	-	70.61	100.0%
Compensation Of Employees[GFS]	-	-	-	70.61	100.0%
356 Securities Commission of PNG	4,706.00	0.44	4,262.41	4,262.41	0.0%
Operational	4,706.00	0.44	4,262.41	4,262.41	0.0%
Compensation Of Employees[GFS]	1,806.00	-	1,806.00	1,806.00	0.0%
Use of goods and services [GFS]	2,900.00	0.44	2,456.41	2,456.41	0.0%

Details	Initial Budget	Supp. & Transfers	Revised Budget	2020 Outcome	Variance (%)
511 Papua New Guinea Climate Change Authority	10,370.00	0.89	9,482.13	9,031.65	-5.0%
Operational	9,370.00	0.89	8,482.13	8,031.65	-5.6%
Compensation Of Employees[GFS]	4,829.00	-	4,829.00	4,378.52	-10.3%
Use of goods and services [GFS]	4,443.00	0.84	3,600.82	3,600.82	0.0%
Non financial assets	79.00	0.04	35.98	35.98	0.0%
Subsidies	19.00	0.00	16.33	16.33	0.0%
Capital Investment	1,000.00	-	1,000.00	1,000.00	0.0%
Use of goods and services [GFS]	1,000.00	-	1,000.00	1,000.00	0.0%
530 Investment Promotion Authority	1,000.00	0.50	500.00	500.00	0.0%
Capital Investment	1,000.00	0.50	500.00	500.00	0.0%
Use of goods and services [GFS]	1,000.00	0.50	500.00	500.00	0.0%
531 Small Business Development Corporation	7,480.00	0.22	7,255.21	7,255.21	0.0%
Operational	7,480.00	0.22	7,255.21	7,255.21	0.0%
Compensation Of Employees[GFS]	5,810.00	-	5,810.00	5,810.00	0.0%
Use of goods and services [GFS]	1,670.00	0.22	1,445.21	1,445.21	0.0%
532 National Institute of Standards & Industrial Technology	9,520.00	2.08	7,440.80	7,952.75	6.4%
Operational	7,520.00	1.58	5,940.80	6,452.75	7.9%
Compensation Of Employees[GFS]	4,690.00	-	4,690.00	4,814.65	2.6%
Use of goods and services [GFS]	2,830.00	1.58	1,250.80	1,638.10	23.6%
Capital Investment	2,000.00	0.50	1,500.00	1,500.00	0.0%
Use of goods and services [GFS]	2,000.00	0.50	1,500.00	1,500.00	0.0%
533 Industrial Centers Development Corporation	4,820.00	0.61	4,209.80	4,209.80	0.0%
Operational	4,820.00	0.61	4,209.80	4,209.80	0.0%
Compensation Of Employees[GFS]	3,260.00	-	3,260.00	3,260.00	0.0%
Use of goods and services [GFS]	1,560.00	0.61	949.80	949.80	0.0%
535 Mineral Resources Authority	10,500.00	5.50	5,000.00	5,000.00	0.0%
Capital Investment	10,500.00	5.50	5,000.00	5,000.00	0.0%
Use of goods and services [GFS]	7,500.00	2.50	5,000.00	5,000.00	0.0%
Non financial assets	3,000.00	3.00	-	-	0.0%
536 Kokonas Industry Koproration	17,370.00	1.38	18,751.03	18,751.03	0.0%
Operational	9,370.00	- 1.38	10,751.03	10,751.03	0.0%
Compensation Of Employees[GFS]	6,460.00	-	6,460.00	6,460.00	0.0%
Use of goods and services [GFS]	1,702.00	-1.53	3,234.55	3,234.55	0.0%
Grants	1,208.00	0.15	1,056.48	1,056.48	0.0%
Capital Investment	8,000.00	-	8,000.00	8,000.00	0.0%
Use of goods and services [GFS]	5,500.00	-	5,500.00	5,500.00	0.0%
Non financial assets	2,500.00	-	2,500.00	2,500.00	0.0%
541 National Housing Corporation	13,750.00	2.22	11,532.92	10,514.76	-9.7%
Operational	10,750.00	0.22	10,532.92	9,514.76	-10.7%
Compensation Of Employees[GFS]	10,280.00	-	10,280.00	9,187.96	-11.9%
Use of goods and services [GFS]	470.00	0.22	252.92	326.80	22.6%
Capital Investment	3,000.00	2.00	1,000.00	1,000.00	0.0%
Use of goods and services [GFS]	3,000.00	2.00	1,000.00	1,000.00	0.0%
549 Office of Coastal Fisheries Development Agency	-	-	-	13.75	100.0%
Operational	-	-	-	13.75	100.0%
Compensation Of Employees[GFS]	-	-	-	13.75	100.0%
Use of goods and services [GFS]	-	-	-	-	0.0%
551 National Fisheries Authority	17,000.00	15.00	2,000.00	2,000.00	0.0%
Capital Investment	17,000.00	15.00	2,000.00	2,000.00	0.0%
Use of goods and services [GFS]	6,000.00	6.00	-	-	0.0%
Non financial assets	11,000.00	9.00	2,000.00	2,000.00	0.0%
553 Fresh Produce Development Company	13,890.00	1.10	12,788.88	12,788.17	0.0%
Operational	6,890.00	0.60	6,288.88	6,288.17	0.0%
Compensation Of Employees[GFS]	5,280.00	-	5,280.00	5,280.00	0.0%
Use of goods and services [GFS]	1,588.00	0.60	986.92	986.20	-0.1%
Non financial assets	22.00	0.00	21.96	21.96	0.0%
Capital Investment	7,000.00	0.50	6,500.00	6,500.00	0.0%
Use of goods and services [GFS]	7,000.00	0.50	6,500.00	6,500.00	0.0%
554 PNG Coffee Industry Corporation	16,120.00	0.46	15,656.53	15,656.51	0.0%
Operational	8,120.00	0.46	7,656.53	7,656.51	0.0%
Compensation Of Employees[GFS]	5,060.00	-	5,060.00	5,059.98	0.0%
Use of goods and services [GFS]	3,060.00	0.46	2,596.53	2,596.53	0.0%
Capital Investment	8,000.00	-	8,000.00	8,000.00	0.0%
Use of goods and services [GFS]	4,000.00	-	4,000.00	4,000.00	0.0%
Non financial assets	4,000.00	-	4,000.00	4,000.00	0.0%
557 PNG National Forest Authority	44,416.00	1.75	42,662.35	38,411.58	-11.1%
Operational	39,916.00	- 1.75	41,662.35	37,411.58	-11.4%

Details	Initial Budget	Supp. & Transfers	Revised Budget	2020 Outcome	Variance (%)
Compensation Of Employees[GFS]	30,867.00	-	30,867.00	27,328.83	-12.9%
Use of goods and services [GFS]	7,999.00	3.64	4,355.35	3,658.29	-19.1%
Non financial assets	1,050.00	0.61	440.00	424.46	-3.7%
Grants	-	-6.00	6,000.00	6,000.00	0.0%
Capital Investment	4,500.00	3.50	1,000.00	1,000.00	0.0%
Use of goods and services [GFS]	4,500.00	3.50	1,000.00	1,000.00	0.0%
558 Tourism Promotion Authority	36,754.00	7.55	29,207.59	28,547.02	-2.3%
Operational	13,754.00	1.05	12,707.59	12,047.02	-5.5%
Compensation Of Employees[GFS]	4,936.00	-	4,936.00	4,936.00	0.0%
Use of goods and services [GFS]	7,728.00	0.79	6,937.65	6,277.09	-10.5%
Non financial assets	630.00	0.20	425.96	425.96	0.0%
Subsidies	460.00	0.05	407.97	407.97	0.0%
Capital Investment	23,000.00	6.50	16,500.00	16,500.00	0.0%
Use of goods and services [GFS]	23,000.00	6.50	16,500.00	16,500.00	0.0%
559 PNG Oil Palm Industry Corporation	11,000.00	-	11,000.00	11,000.00	0.0%
Capital Investment	11,000.00	-	11,000.00	11,000.00	0.0%
Use of goods and services [GFS]	2,000.00	-	2,000.00	2,000.00	0.0%
Non financial assets	9,000.00	-	9,000.00	9,000.00	0.0%
562 National Agriculture Research Institute	14,370.00	1.42	12,951.36	12,951.36	0.0%
Operational	12,370.00	0.42	11,951.36	11,951.36	0.0%
Compensation Of Employees[GFS]	10,960.00	-	10,960.00	10,960.00	0.0%
Use of goods and services [GFS]	1,121.00	0.30	825.63	825.63	0.0%
Non financial assets	289.00	0.12	165.73	165.73	0.0%
Capital Investment	2,000.00	1.00	1,000.00	1,000.00	0.0%
Use of goods and services [GFS]	2,000.00	1.00	1,000.00	1,000.00	0.0%
563 National Agriculture Quarantine & Inspection Authority	10,500.00	-	13,000.00	15,984.80	18.7%
Operational	8,500.00	- 3.00	11,500.00	14,484.80	20.6%
Compensation Of Employees[GFS]	8,500.00	-	8,500.00	11,484.80	26.0%
Use of goods and services [GFS]	-	-3.00	3,000.00	3,000.00	0.0%
Capital Investment	2,000.00	0.50	1,500.00	1,500.00	0.0%
Use of goods and services [GFS]	2,000.00	0.50	1,500.00	1,500.00	0.0%
566 Cocoa Board	16,030.00	0.23	15,803.18	20,835.26	24.2%
Operational	9,030.00	0.23	8,803.18	13,835.26	36.4%
Compensation Of Employees[GFS]	7,300.00	-	7,300.00	12,332.07	40.8%
Use of goods and services [GFS]	1,730.00	0.23	1,503.18	1,503.19	0.0%
Capital Investment	7,000.00	-	7,000.00	7,000.00	0.0%
Use of goods and services [GFS]	1,500.00	-	1,500.00	1,500.00	0.0%
Non financial assets	5,500.00	-	5,500.00	5,500.00	0.0%
569 Independent Consumer and Competition Commission	12,100.00	1.32	10,783.15	10,783.15	0.0%
Operational	12,100.00	1.32	10,783.15	10,783.15	0.0%
Compensation Of Employees[GFS]	7,950.00	-	7,950.00	7,950.00	0.0%
Use of goods and services [GFS]	3,850.00	1.17	2,683.15	2,683.15	0.0%
Non financial assets	300.00	0.15	150.00	150.00	0.0%
Education	1,185,951.28	490.66	695,288.36	740,992.26	6.2%
National Departments	936,016.00	483.97	452,041.09	497,527.39	9.1%
235 Department of Education	784,100.00	530.80	253,303.38	300,264.73	15.6%
Operational	746,100.00	527.30	218,803.38	277,742.55	21.2%
Compensation Of Employees[GFS]	134,010.00	-	134,010.00	193,792.69	30.8%
Use of goods and services [GFS]	109,297.04	36.59	72,703.88	72,124.27	-0.8%
Non financial assets	13,335.45	3.62	9,712.69	9,446.30	-2.8%
Subsidies	2,915.64	0.55	2,362.27	2,379.29	0.7%
Grants	486,541.87	486.53	14.55	-	0.0%
Capital Investment	38,000.00	3.50	34,500.00	22,522.18	-53.2%
Use of goods and services [GFS]	27,000.00	- 1.00	28,000.00	16,029.59	-74.7%
Non financial assets	11,000.00	4.50	6,500.00	6,492.59	-0.1%
236 Department of Higher Education Research Science & Technology	151,916.00	- 46.82	198,737.70	197,262.66	-0.7%
Operational	101,916.00	- 53.82	155,737.70	154,312.03	-0.9%
Compensation Of Employees[GFS]	7,238.00	- 1.82	9,056.53	7,789.50	-16.3%
Use of goods and services [GFS]	3,106.00	0.11	2,997.75	2,988.66	-0.3%
Non financial assets	49.00	-1.12	1,169.14	1,029.93	-13.5%
Subsidies	91,523.00	9.55	81,975.49	81,966.29	0.0%
Grants	-	- 60.54	60,538.80	60,537.66	0.0%
Capital Investment	50,000.00	7.00	43,000.00	42,950.64	-0.1%
Use of goods and services [GFS]	7,500.00	- 13.10	20,600.00	20,550.64	-0.2%
Non financial assets	42,500.00	20.10	22,400.00	22,400.00	0.0%
Grants	-	-	-	-	0.0%

Details	Initial Budget	Supp. & Transfers	Revised Budget	2020 Outcome	Variance (%)
Statutory Authorities	249,935.28	6.69	243,247.27	243,464.87	0.1%
251 PNG Science & Technology Secretariat	3,313.00	0.32	2,995.74	3,213.73	6.8%
Operational	3,313.00	0.32	2,995.74	3,213.73	6.8%
Compensation Of Employees[GFS]	2,227.00	-	2,227.00	2,444.99	8.9%
Use of goods and services [GFS]	1,086.00	0.32	768.74	768.74	0.0%
505 National Research Institute	5,670.07	0.58	5,094.85	5,094.65	0.0%
Operational	5,670.07	0.58	5,094.85	5,094.65	0.0%
Compensation Of Employees[GFS]	3,852.55	-	3,852.55	3,852.35	0.0%
Use of goods and services [GFS]	1,817.52	0.58	1,242.29	1,242.29	0.0%
512 University of Papua New Guinea	81,329.88	2.00	79,329.88	79,329.88	0.0%
Operational	77,329.88	-	77,329.88	77,329.88	0.0%
Compensation Of Employees[GFS]	77,329.88	-	77,329.88	77,329.88	0.0%
Capital Investment	4,000.00	2.00	2,000.00	2,000.00	0.0%
Use of goods and services [GFS]	3,500.00	1.50	2,000.00	2,000.00	0.0%
Non financial assets	500.00	0.50	-	-	0.0%
513 University of Technology	76,488.88	2.02	74,466.24	74,466.14	0.0%
Operational	66,488.88	0.52	65,966.24	65,966.14	0.0%
Compensation Of Employees[GFS]	64,530.53	-	64,530.53	64,530.43	0.0%
Use of goods and services [GFS]	1,958.35	0.52	1,435.71	1,435.71	0.0%
Capital Investment	10,000.00	1.50	8,500.00	8,500.00	0.0%
Use of goods and services [GFS]	4,300.00	1.10	3,200.00	3,200.00	0.0%
Non financial assets	5,700.00	0.40	5,300.00	5,300.00	0.0%
514 University of Goroka	38,362.21	1.30	37,063.91	37,063.91	0.0%
Operational	31,362.21	0.30	31,063.91	31,063.91	0.0%
Compensation Of Employees[GFS]	27,719.55	-	27,719.55	27,719.55	0.0%
Use of goods and services [GFS]	3,469.46	0.27	3,195.26	3,195.26	0.0%
Non financial assets	173.19	0.02	149.09	149.09	0.0%
Capital Investment	7,000.00	1.00	6,000.00	6,000.00	0.0%
Use of goods and services [GFS]	600.00	0.20	400.00	400.00	0.0%
Non financial assets	6,400.00	0.80	5,600.00	5,600.00	0.0%
515 University of Environment & Natural Resources	37,535.13	0.21	37,327.27	37,327.19	0.0%
Operational	33,535.13	0.21	33,327.27	33,327.19	0.0%
Compensation Of Employees[GFS]	32,455.09	-	32,455.09	32,455.09	0.0%
Use of goods and services [GFS]	1,080.05	0.21	872.18	872.10	0.0%
Capital Investment	4,000.00	-	4,000.00	4,000.00	0.0%
Use of goods and services [GFS]	400.00	-	400.00	400.00	0.0%
Non financial assets	3,600.00	-	3,600.00	3,600.00	0.0%
518 PNG Maritime College	7,236.11	0.27	6,969.39	6,969.38	0.0%
Operational	7,236.11	0.27	6,969.39	6,969.38	0.0%
Compensation Of Employees[GFS]	6,436.78	-	6,436.78	6,436.78	0.0%
Use of goods and services [GFS]	799.33	0.27	532.61	532.60	0.0%
Health	1,468,198.63	-7.46	1,475,654.38	1,684,295.74	12.4%
National Departments	681,511.80	-33.32	714,834.72	960,708.35	25.6%
240 Department of Health	470,076.00	- 39.46	509,539.51	548,293.64	7.1%
Operational	426,076.00	-48.46	474,539.51	513,293.64	7.6%
Compensation Of Employees[GFS]	78,079.03	-	78,079.03	96,718.82	19.3%
Use of goods and services [GFS]	333,069.62	- 52.74	385,805.83	404,717.68	4.7%
Non financial assets	3,963.72	2.17	1,794.78	3,005.44	40.3%
Subsidies	7,100.22	0.69	6,413.12	6,413.12	0.0%
Grants	3,863.42	1.42	2,446.76	2,438.59	-0.3%
Capital Investment	44,000.00	9.00	35,000.00	35,000.00	0.0%
Use of goods and services [GFS]	14,300.00	- 15.10	29,400.00	29,400.00	0.0%
Non financial assets	29,700.00	24.10	5,600.00	5,600.00	0.0%
241 Hospital Management Services	211,435.80	6.14	205,295.21	412,414.71	50.2%
Operational	200,435.80	3.14	197,295.21	407,414.71	51.6%
Compensation Of Employees[GFS]	170,773.08	1.40	169,373.08	379,458.09	55.4%
Use of goods and services [GFS]	10,009.91	0.56	9,446.08	9,148.50	-3.3%
Non financial assets	649.77	0.06	585.97	575.97	-1.7%
Grants	19,003.03	1.11	17,890.07	18,232.15	1.9%
Capital Investment	11,000.00	3.00	8,000.00	5,000.00	-60.0%
Use of goods and services [GFS]	5,600.00	2.50	3,100.00	2,420.00	-28.1%
Non financial assets	5,400.00	0.50	4,900.00	2,580.00	-89.9%
Provincial Health Authority	684,224.79	29.58	654,643.63	659,150.38	0.7%
238 Milne Bay Provincial Health Authority	38,117.78	0.86	37,256.98	50,289.13	25.9%
Operational	38,117.78	0.86	37,256.98	50,289.13	25.9%
Compensation Of Employees[GFS]	24,814.68	-	24,814.68	37,846.83	34.4%
Use of goods and services [GFS]	6,150.92	0.11	6,038.31	6,038.31	0.0%
Non financial assets	272.26	-	272.26	272.26	0.0%
Grants	6,879.93	0.75	6,131.73	6,131.73	0.0%

Details	Initial Budget	Supp. & Transfers	Revised Budget	2020 Outcome	Variance (%)
239 Western Highlands Provincial Health Authority	43,274.47	-	43,274.47	49,351.85	12.3%
Operational	43,274.47	-	43,274.47	49,351.85	12.3%
Compensation Of Employees[GFS]	33,283.81	-	33,283.81	39,361.19	15.4%
Use of goods and services [GFS]	6,467.62	-	6,467.62	6,467.62	0.0%
Non financial assets	484.64	-	484.64	484.64	0.0%
Grants	3,038.40	-	3,038.40	3,038.40	0.0%
244 Eastern Highlands Provincial Health Authority	53,276.88	-	53,276.88	59,440.27	10.4%
Operational	53,276.88	-	53,276.88	59,440.27	10.4%
Compensation Of Employees[GFS]	39,205.86	-	39,205.86	45,370.24	13.6%
Use of goods and services [GFS]	7,038.85	-	7,038.85	7,038.85	0.0%
Grants	7,032.18	-	7,032.18	7,031.18	0.0%
248 Southern Highlands Provincial Health Authority	45,978.68	-	45,978.68	30,171.50	-52.4%
Operational	45,978.68	-	45,978.68	30,171.50	-52.4%
Compensation Of Employees[GFS]	35,099.26	0.73	34,370.87	19,512.80	-76.1%
Use of goods and services [GFS]	3,976.94	- 0.73	4,705.32	4,705.32	0.0%
Non financial assets	134.36	-	134.36	134.36	0.0%
Grants	6,768.12	-	6,768.12	5,819.02	-16.3%
249 New Ireland Provincial Health Authority	38,959.37	-	38,959.37	36,077.59	-8.0%
Operational	38,959.37	-	38,959.37	36,077.59	-8.0%
Compensation Of Employees[GFS]	30,106.83	-	30,106.83	27,225.05	-10.6%
Use of goods and services [GFS]	5,661.90	-	6,637.42	6,637.41	0.0%
Non financial assets	34.26	0.98	34.26	34.26	0.0%
Grants	3,156.39	0.98	2,180.87	2,180.87	0.0%
253 West New Britain Provincial Health Authority	46,149.28	-	46,149.28	57,500.49	19.7%
Operational	46,149.28	-	46,149.28	57,500.49	19.7%
Compensation Of Employees[GFS]	32,411.32	-	32,411.32	43,762.53	25.9%
Use of goods and services [GFS]	8,779.23	-0.51	9,289.23	9,289.23	0.0%
Non financial assets	53.44	-	53.44	53.44	0.0%
Grants	4,905.29	0.51	4,395.29	4,395.29	0.0%
256 Manus Provincial Health Authority	20,873.98	-	20,873.98	21,475.33	2.8%
Operational	20,873.98	-	20,873.98	21,475.33	2.8%
Compensation Of Employees[GFS]	13,763.20	-	13,763.20	14,364.56	4.2%
Use of goods and services [GFS]	4,516.47	-	4,516.47	4,516.47	0.0%
Non financial assets	160.96	-	160.96	160.96	0.0%
Grants	2,433.36	-	2,433.36	2,433.36	0.0%
260 Enga Provincial Health Authority	47,037.57	0.40	46,641.78	52,561.68	11.3%
Operational	47,037.57	0.40	46,641.78	52,561.68	11.3%
Compensation Of Employees[GFS]	37,263.88	-	37,263.88	44,782.88	16.8%
Use of goods and services [GFS]	5,772.30	0.21	5,564.49	5,155.64	-7.9%
Non financial assets	2,022.11	0.03	1,993.12	881.79	-126.0%
Grants	1,979.29	0.16	1,820.30	1,741.37	-4.5%
265 Hela provincial Health Authority	34,451.44	-	34,451.44	33,380.58	-3.2%
Operational	34,451.44	-	34,451.44	33,380.58	-3.2%
Compensation Of Employees[GFS]	23,793.74	-	23,793.74	22,722.88	-4.7%
Use of goods and services [GFS]	3,476.01	-	3,476.01	3,476.01	0.0%
Non financial assets	48.34	-	48.34	48.34	0.0%
Grants	7,133.36	-	7,133.36	7,133.36	0.0%
266 Sandaun Provincial Health Authority	39,067.64	- 1.00	40,067.64	44,194.52	9.3%
Operational	39,067.64	- 1.00	40,067.64	44,194.52	9.3%
Compensation Of Employees[GFS]	22,996.39	-	22,996.39	27,123.28	15.2%
Use of goods and services [GFS]	5,546.35	- 1.00	6,546.35	6,546.35	0.0%
Non financial assets	326.58	-	326.58	326.58	0.0%
Grants	10,198.31	-	10,198.31	10,198.31	0.0%
601 Manus Provincial Health Authority	2,000.00	-	2,000.00	624.97	-220.0%
Operational	-	-	-	124.97	100.0%
Compensation Of Employees[GFS]	-	-	-	124.97	100.0%
Capital Investment	2,000.00	-	2,000.00	500.00	-300.0%
Use of goods and services [GFS]	200.00	-	200.00	20.00	-900.0%
Non financial assets	1,800.00	-	1,800.00	480.00	-275.0%
602 New Ireland Provincial Health Authority	2,000.00	-	2,000.00	500.00	-300.0%
Capital Investment	2,000.00	-	2,000.00	500.00	-300.0%
Use of goods and services [GFS]	500.00	-	500.00	20.00	-2400.0%
Non financial assets	1,500.00	-	1,500.00	480.00	-212.5%
603 East New Britain Provincial Health Authority	28,494.60	0.69	27,807.09	35,997.20	22.8%

Details	Initial Budget	Supp. & Transfers	Revised Budget	2020 Outcome	Variance (%)
Operational	24,494.60	0.19	24,307.09	34,997.20	30.5%
Compensation Of Employees[GFS]	18,914.53	-	18,914.53	29,604.64	36.1%
Use of goods and services [GFS]	2,862.61	0.13	2,728.87	2,728.88	0.0%
Non financial assets	119.99	0.00	118.12	118.12	0.0%
Grants	2,597.47	0.05	2,545.56	2,545.56	0.0%
Capital Investment	4,000.00	0.50	3,500.00	1,000.00	-250.0%
Use of goods and services [GFS]	200.00	-	200.00	20.00	-900.0%
Non financial assets	3,800.00	0.50	3,300.00	980.00	-236.7%
604 West New Britain Provincial Health Authority	5,000.00	3.70	1,300.00	1,500.00	13.3%
Capital Investment	5,000.00	3.70	1,300.00	1,500.00	13.3%
Use of goods and services [GFS]	200.00	-	200.00	20.00	-900.0%
Non financial assets	4,800.00	3.70	1,100.00	1,480.00	25.7%
605 Western Provincial Health Authority	19,658.59	1.10	18,557.93	18,901.00	1.8%
Operational	17,658.59	0.60	17,057.93	18,401.00	7.3%
Compensation Of Employees[GFS]	8,217.96	-	8,217.96	9,561.03	14.0%
Use of goods and services [GFS]	3,192.84	0.06	3,134.62	3,134.62	0.0%
Non financial assets	76.13	-	76.13	76.13	0.0%
Grants	6,171.67	0.54	5,629.23	5,629.23	0.0%
Capital Investment	2,000.00	0.50	1,500.00	500.00	-200.0%
Use of goods and services [GFS]	500.00	0.50	-	50.00	100.0%
Non financial assets	1,500.00	-	1,500.00	450.00	-233.3%
606 Sandaun Provincial Health Authority	2,000.00	-	2,000.00	500.00	-300.0%
Capital Investment	2,000.00	-	2,000.00	500.00	-300.0%
Use of goods and services [GFS]	200.00	-	200.00	20.00	-900.0%
Non financial assets	1,800.00	-	1,800.00	480.00	-275.0%
607 East Sepik Provincial Health Authority	36,448.25	- 2.09	38,536.75	62,030.68	37.9%
Operational	31,448.25	0.01	31,436.75	54,530.68	42.4%
Compensation Of Employees[GFS]	14,557.69	-	14,557.69	37,652.42	61.3%
Use of goods and services [GFS]	8,001.15	0.01	7,989.66	7,988.86	0.0%
Non financial assets	283.98	-	283.98	283.98	0.0%
Grants	8,605.42	-	8,605.42	8,605.42	0.0%
Capital Investment	5,000.00	-2.10	7,100.00	7,500.00	5.3%
Use of goods and services [GFS]	300.00	-4.00	4,300.00	6,020.00	28.6%
Non financial assets	4,700.00	1.90	2,800.00	1,480.00	-89.2%
608 Madang Provincial Health Authority	36,559.39	2.17	34,387.52	15,793.97	-117.7%
Operational	34,559.39	0.97	33,587.52	15,293.97	-119.6%
Compensation Of Employees[GFS]	19,676.67	-	19,676.67	13,883.13	-1322.6%
Use of goods and services [GFS]	5,437.13	- 0.09	5,526.04	5,526.03	0.0%
Non financial assets	248.74	-	248.74	248.74	0.0%
Grants	9,196.85	1.06	8,136.06	8,136.06	0.0%
Capital Investment	2,000.00	1.20	800.00	500.00	-60.0%
Use of goods and services [GFS]	100.00	-	100.00	10.00	-900.0%
Non financial assets	1,900.00	1.20	700.00	490.00	-42.9%
609 Morobe Provincial Health Authority	46,444.74	7.00	39,444.74	16,047.53	-145.8%
Operational	34,444.74	-	34,444.74	12,547.53	-174.5%
Compensation Of Employees[GFS]	24,196.21	-	24,196.21	2,299.02	-952.5%
Use of goods and services [GFS]	9,991.60	-	9,991.60	9,991.60	0.0%
Non financial assets	256.93	-	256.93	256.92	0.0%
Capital Investment	12,000.00	7.00	5,000.00	3,500.00	-42.9%
Use of goods and services [GFS]	1,200.00	-	1,200.00	120.00	-900.0%
Non financial assets	10,800.00	7.00	3,800.00	3,380.00	-12.4%
610 Eastern Highlands Provincial Health Authority	2,000.00	-	2,000.00	500.00	-300.0%
Capital Investment	2,000.00	-	2,000.00	500.00	-300.0%
Use of goods and services [GFS]	200.00	-	200.00	20.00	-900.0%
Non financial assets	1,800.00	-	1,800.00	480.00	-275.0%
611 Jiwaka Provincial Health Authority	8,162.44	0.50	7,662.44	8,172.04	6.2%
Operational	6,162.44	-	6,162.44	7,672.04	19.7%
Compensation Of Employees[GFS]	-	-	-	1,509.60	100.0%
Use of goods and services [GFS]	2,267.62	-	2,267.62	2,267.62	0.0%
Grants	3,894.82	-	3,894.82	3,894.82	0.0%
Capital Investment	2,000.00	0.50	1,500.00	500.00	-200.0%
Use of goods and services [GFS]	200.00	-	200.00	20.00	-900.0%
Non financial assets	1,800.00	0.50	1,300.00	480.00	-170.8%
612 Western Highlands Provincial Health Authority	2,000.00	-	2,000.00	500.00	-300.0%
Capital Investment	2,000.00	-	2,000.00	500.00	-300.0%
Use of goods and services [GFS]	200.00	-	200.00	20.00	-900.0%
Non financial assets	1,800.00	-	1,800.00	480.00	-275.0%

Details	Initial Budget	Supp. & Transfers	Revised Budget	2020 Outcome	Variance (%)
613 Enga Provincial Health Authority	10,000.00	2.00	8,000.00	6,000.00	-33.3%
Capital Investment	10,000.00	2.00	8,000.00	6,000.00	-33.3%
Use of goods and services [GFS]	300.00	-	300.00	50.00	-500.0%
Non financial assets	9,700.00	2.00	7,700.00	5,950.00	-29.4%
614 Southern Highlands Provincial Health Authority	10,000.00	3.70	6,300.00	4,000.00	-57.5%
Capital Investment	10,000.00	3.70	6,300.00	4,000.00	-57.5%
Use of goods and services [GFS]	300.00	-	300.00	50.00	-500.0%
Non financial assets	9,700.00	3.70	6,000.00	3,950.00	-51.9%
615 Hela Provincial Health Authority	10,000.00	7.50	2,500.00	4,000.00	37.5%
Capital Investment	10,000.00	7.50	2,500.00	4,000.00	37.5%
Use of goods and services [GFS]	1,000.00	-	1,000.00	100.00	-900.0%
Non financial assets	9,000.00	7.50	1,500.00	3,900.00	61.5%
616 Gulf Provincial Health Authority	19,359.66	0.55	18,806.64	18,678.81	-0.7%
Operational	17,359.66	0.55	16,806.64	18,178.81	7.5%
Compensation Of Employees[GFS]	9,475.82	-	9,475.82	10,847.99	12.6%
Use of goods and services [GFS]	2,707.44	0.05	2,660.67	2,660.67	0.0%
Grants	5,176.41	0.51	4,670.14	4,670.14	0.0%
Capital Investment	2,000.00	-	2,000.00	500.00	-300.0%
Use of goods and services [GFS]	200.00	-	200.00	20.00	-900.0%
Non financial assets	1,800.00	-	1,800.00	480.00	-275.0%
618 Milne Bay Provincial Health Authority	2,000.00	0.50	1,500.00	500.00	-200.0%
Capital Investment	2,000.00	0.50	1,500.00	500.00	-200.0%
Use of goods and services [GFS]	200.00	-	200.00	20.00	-900.0%
Non financial assets	1,800.00	0.50	1,300.00	480.00	-170.8%
619 Oro Provincial Health Authority	27,910.03	-	27,910.03	26,961.26	-3.5%
Operational	25,910.03	-	25,910.03	26,461.26	2.1%
Compensation Of Employees[GFS]	14,700.41	-	14,700.41	15,251.64	3.6%
Use of goods and services [GFS]	7,019.15	-	7,019.15	7,019.15	0.0%
Non financial assets	85.64	-	85.64	85.64	0.0%
Grants	4,104.83	-	4,104.83	4,104.83	0.0%
Capital Investment	2,000.00	-	2,000.00	500.00	-300.0%
Use of goods and services [GFS]	200.00	-	200.00	20.00	-900.0%
Non financial assets	1,800.00	-	1,800.00	480.00	-275.0%
620 Port Moresby General Hospital	7,000.00	2.00	5,000.00	3,500.00	-42.9%
Capital Investment	7,000.00	2.00	5,000.00	3,500.00	-42.9%
Use of goods and services [GFS]	1,100.00	0.90	200.00	120.00	-66.7%
Non financial assets	5,900.00	1.10	4,800.00	3,380.00	-42.0%
Statutory Authorities	102,462.04	-3.71	106,176.04	64,437.01	-64.8%
357 Port Moresby General Hospital	75,328.31	-6.00	81,328.31	39,590.09	-105.4%
Operational	75,328.31	-6.00	81,328.31	39,590.09	-105.4%
Compensation Of Employees[GFS]	44,100.29	-	44,100.29	2,362.07	-1767.0%
Use of goods and services [GFS]	30,116.89	- 6.00	36,116.89	36,116.89	0.0%
Non financial assets	1,111.13	-	1,111.13	1,111.13	0.0%
519 National Aids Council Secretariat	7,353.19	1.14	6,215.05	6,215.05	0.0%
Operational	5,353.19	0.14	5,215.05	5,215.05	0.0%
Compensation Of Employees[GFS]	3,957.22	-	3,957.22	3,957.22	0.0%
Use of goods and services [GFS]	807.60	0.09	716.23	716.23	0.0%
Non financial assets	38.06	-	38.06	38.06	0.0%
Grants	550.31	0.05	503.55	503.54	0.0%
Capital Investment	2,000.00	1.00	1,000.00	1,000.00	0.0%
Use of goods and services [GFS]	400.00	0.20	200.00	200.00	0.0%
Non financial assets	1,600.00	0.80	800.00	800.00	0.0%
520 Institute of Medical Research	19,780.54	1.15	18,632.68	18,631.88	0.0%
Operational	13,780.54	-1.85	15,632.68	15,631.88	0.0%
Compensation Of Employees[GFS]	11,734.64	-	11,734.64	11,734.64	0.0%
Use of goods and services [GFS]	2,045.90	-1.85	3,898.04	3,897.24	0.0%
Capital Investment	6,000.00	3.00	3,000.00	3,000.00	0.0%
Use of goods and services [GFS]	1,200.00	0.15	1,050.00	1,050.00	0.0%
Non financial assets	4,800.00	2.85	1,950.00	1,950.00	0.0%
Law & Justice	1,366,221.98	- 52.51	1,418,736.88	1,560,289.60	9.1%
National Departments	1,008,524.95	- 37.99	1,046,516.13	1,148,359.17	8.9%
218 Office of the Public Prosecutor	10,409.23	1.41	9,000.43	9,541.40	5.7%
Operational	10,409.23	1.41	9,000.43	9,541.40	5.7%
Compensation Of Employees[GFS]	6,879.22	-	6,879.22	7,423.21	7.3%
Use of goods and services [GFS]	3,497.94	1.40	2,101.32	2,098.31	-0.1%
Non financial assets	32.06	0.01	19.88	19.88	0.0%
222 Office of the Public Solicitor	17,681.38	3.74	13,937.60	14,372.12	3.0%
Operational	14,681.38	1.74	12,937.60	13,402.23	3.5%
Compensation Of Employees[GFS]	11,151.38	-	11,151.38	11,649.70	4.3%

Details	Initial Budget	Supp. & Transfers	Revised Budget	2020 Outcome	Variance (%)
Use of goods and services [GFS]	3,177.95	1.55	1,625.66	1,591.98	-2.1%
Non financial assets	352.05	0.19	160.56	160.56	0.0%
Capital Investment	3,000.00	2.00	1,000.00	969.89	-3.1%
Use of goods and services [GFS]	1,200.00	0.70	500.00	494.89	-1.0%
Non financial assets	1,800.00	1.30	500.00	475.00	-5.3%
225 Department of Attorney-General	134,569.12	- 1.99	136,563.33	136,951.95	0.3%
Operational	123,569.12	- 7.49	131,063.33	131,462.54	0.3%
Compensation Of Employees[GFS]	101,342.51	0.11-	101,448.76	102,174.99	0.7%
Use of goods and services [GFS]	21,721.82	-7.33	29,049.25	28,729.81	-1.1%
Non financial assets	453.38	- 0.09	547.16	535.42	-2.2%
Subsidies	34.56	0.02	13.67	17.83	23.4%
Grants	16.85	0.01	4.49	4.49	-0.1%
Capital Investment	11,000.00	5.50	5,500.00	5,489.41	-0.2%
Use of goods and services [GFS]	6,500.00	2.50	4,000.00	3,989.41	-0.3%
Non financial assets	4,500.00	3.00	1,500.00	1,500.00	0.0%
226 Department of Corrective Institutional Services	163,123.19	2.80	160,326.21	159,297.76	-0.6%
Operational	158,123.19	2.80	155,326.21	155,297.76	0.0%
Compensation Of Employees[GFS]	104,858.22	-	104,858.22	105,039.38	0.2%
Use of goods and services [GFS]	52,979.53	2.73	50,251.85	50,045.06	-0.4%
Non financial assets	285.45	0.07	216.15	213.32	-1.3%
Capital Investment	5,000.00	-	5,000.00	4,000.00	-25.0%
Use of goods and services [GFS]	2,000.00	-	2,000.00	2,000.00	0.0%
Non financial assets	3,000.00	-	3,000.00	2,000.00	-50.0%
228 Department of Police	380,700.62	77.30-	458,000.32	491,799.55	6.9%
Operational	367,700.62	83.30-	451,000.32	486,831.34	7.4%
Compensation Of Employees[GFS]	291,229.93	-17.24	308,473.58	344,576.55	10.5%
Use of goods and services [GFS]	73,857.93	-68.19	142,044.99	141,783.77	-0.2%
Non financial assets	2,612.77	2.13	481.75	471.02	-2.3%
Capital Investment	13,000.00	6.00	7,000.00	4,968.21	-40.9%
Use of goods and services [GFS]	2,200.00	2.20	-	1,999.52	100.0%
Non financial assets	10,800.00	3.80	7,000.00	2,968.69	-135.8%
231 National Intelligence Organisation	7,655.61	1.42	6,234.18	5,865.43	-6.3%
Operational	4,655.61	0.42	4,234.18	3,865.43	-9.5%
Compensation Of Employees[GFS]	3,237.90	-	3,237.90	2,874.30	-12.7%
Use of goods and services [GFS]	1,386.23	0.40	983.28	978.13	-0.5%
Non financial assets	31.48	0.02	13.00	13.00	0.0%
Capital Investment	3,000.00	1.00	2,000.00	2,000.00	0.0%
Use of goods and services [GFS]	1,500.00	-	1,500.00	1,500.00	0.0%
Non financial assets	1,500.00	1.00	500.00	500.00	0.0%
234 Department of Defence	294,385.80	31.93	262,454.06	330,530.96	20.6%
Operational	267,385.80	31.93	235,454.06	303,574.73	22.4%
Compensation Of Employees[GFS]	173,598.10	-	173,598.10	242,117.68	28.3%
Use of goods and services [GFS]	80,967.07	27.43	53,537.34	53,040.65	-0.9%
Non financial assets	7,222.30	4.42	2,800.07	2,911.52	3.8%
Subsidies	5,598.34	0.08	5,518.55	5,504.88	-0.2%
Capital Investment	27,000.00	-	27,000.00	26,956.23	-0.2%
Use of goods and services [GFS]	4,700.00	-	4,700.00	4,694.58	-0.1%
Non financial assets	22,300.00	-	22,300.00	22,261.65	-0.2%
Statutory Authorities	357,697.03	-	372,220.75	411,930.42	9.6%
		14.52			
223 Judiciary Services	268,431.82	-19.3	288,163.32	328,862.41	12.4%
Operational	198,431.82	10.27	188,163.32	228,862.41	17.8%
Compensation Of Employees[GFS]	88,611.64	-	88,611.64	115,604.56	23.3%
Use of goods and services [GFS]	56,843.06	5.46	51,383.36	53,914.64	4.7%
Non financial assets	52,977.12	4.81	48,168.32	59,343.21	18.8%
Capital Investment	70,000.00	- 30.00	100,000.00	100,000.00	0.0%
Use of goods and services [GFS]	-	- 30.00	30,000.00	30,000.00	0.0%
Non financial assets	70,000.00	-	70,000.00	70,000.00	0.0%
224 Magisterial Services	48,426.18	2.80	45,630.72	45,178.36	-1.0%
Operational	44,926.18	1.80	43,130.72	42,678.36	-1.1%
Compensation Of Employees[GFS]	38,915.66	-	38,915.66	38,463.31	-1.2%
Use of goods and services [GFS]	5,762.66	1.71	4,052.31	4,052.31	0.0%
Non financial assets	247.86	0.09	162.74	162.74	0.0%
Capital Investment	3,500.00	1.00	2,500.00	2,500.00	0.0%
Use of goods and services [GFS]	1,700.00	0.70	1,000.00	1,000.00	0.0%
Non financial assets	1,800.00	0.30	1,500.00	1,500.00	0.0%
503 Ombudsman Commission	30,974.55	0.51	30,462.42	30,462.42	0.0%
Operational	26,974.55	0.51	26,462.42	26,462.42	0.0%
Compensation Of Employees[GFS]	20,104.84	-1.68	21,780.25	21,780.25	0.0%

Details	Initial Budget	Supp. & Transfers	Revised Budget	2020 Outcome	Variance (%)
Use of goods and services [GFS]	6,707.18	2.18	4,526.92	4,526.92	0.0%
Non financial assets	162.53	0.01	155.25	155.25	0.0%
Capital Investment	4,000.00	-	4,000.00	4,000.00	0.0%
Use of goods and services [GFS]	2,200.00	-	2,200.00	2,200.00	0.0%
Non financial assets	1,800.00	-	1,800.00	1,800.00	0.0%
510 Legal Training Institute	4,767.87	1.20	3,571.26	2,648.89	-34.8%
Operational	3,767.87	0.20	3,571.26	2,648.89	-34.8%
Compensation Of Employees[GFS]	3,177.95	-	3,177.95	2,283.91	-39.1%
Use of goods and services [GFS]	447.20	0.15	299.94	273.81	-9.5%
Non financial assets	47.57	0.02	27.77	27.77	0.0%
Subsidies	95.15	0.03	65.60	63.41	-3.5%
Capital Investment	1,000.00	1.00	-	-	0.0%
Use of goods and services [GFS]	300.00	0.30	-	-	0.0%
Non financial assets	700.00	0.70	-	-	0.0%
517 National Narcotics Bureau	-	-	-	3,264.52	100.0%
Operational	-	-	-	3,264.52	100.0%
Compensation Of Employees[GFS]	-	-	-	3,264.52	100.0%
522 Constitutional and Law Reform Commission	5,096.61	0.70	4,393.03	1,513.82	-190.2%
Operational	3,596.61	0.20	3,393.03	513.82	-560.4%
Compensation Of Employees[GFS]	2,987.66	-	2,987.66	128.36	-2227.5%
Use of goods and services [GFS]	608.95	0.20	405.37	385.46	-5.2%
Capital Investment	1,500.00	0.50	1,000.00	1,000.00	0.0%
Use of goods and services [GFS]	1,500.00	0.50	1,000.00	1,000.00	0.0%
Miscellaneous	2,518,652.00	735.70	1,782,950.76	1,660,402.44	-7.4%
Miscellaneous	2,518,652.00	735.70	1,782,950.76	1,660,402.44	-7.4%
207 Treasury and Finance - Miscellaneous	2,518,652.00	735.70	1,782,950.76	1,660,402.44	-7.4%
Operational	2,518,652.00	735.70	1,782,950.76	1,660,402.44	-7.4%
Compensation Of Employees[GFS]	1,003,397.00	759.18	244,212.48	410,746.56	40.5%
Use of goods and services [GFS]	1,489,555.00	312.11	1,177,449.05	888,455.70	-32.5%
Subsidies	1,700.00	0.93	765.28	676.23	-13.2%
Grants	24,000.00	-	360,523.95	360,523.96	0.0%
		336.52			
Provinces	3,633,679.36	-	3,791,879.36	4,286,674.27	11.5%
Provincial Administrations	3,633,679.36	-	3,791,879.36	4,286,674.27	11.5%
		158.20			
571 Fly River Provincial Administration	129,788.00	-10.21	140,000.17	151,142.67	7.4%
Operational	84,788.00	-	84,788.00	99,152.98	14.5%
Compensation Of Employees[GFS]	65,404.00	-	65,404.00	79,769.18	18.0%
Grants	19,384.00	-	19,384.00	19,383.80	0.0%
Capital Investment	45,000.00	-10.21	55,212.17	51,989.69	-6.2%
Use of goods and services [GFS]	10,000.00	0.46	9,540.54	9,540.54	0.0%
Grants	35,000.00	- 16.67	45,671.63	42,449.15	-7.6%
572 Gulf Provincial Administration	84,912.00	11.97-	96,883.63	101,647.68	4.7%
Operational	52,912.00	-	52,912.00	58,750.21	9.9%
Compensation Of Employees[GFS]	33,510.00	-	33,510.00	39,348.35	14.8%
Grants	19,402.00	-	19,402.00	19,401.87	0.0%
Capital Investment	32,000.00	- 11.97	43,971.63	42,897.47	-2.5%
Use of goods and services [GFS]	20,000.00	2.46	17,540.54	17,540.54	0.0%
Grants	12,000.00	- 14.43	26,431.09	25,356.93	-4.2%
573 Central Provincial Administration	167,211.00	- 13.95	181,163.70	204,126.12	11.2%
Operational	117,211.00	-	117,211.00	140,247.57	16.4%
Compensation Of Employees[GFS]	83,025.00	-	83,025.00	106,061.88	21.7%
Grants	34,186.00	-	34,186.00	34,185.69	0.0%
Capital Investment	50,000.00	13.95-	63,952.70	63,878.55	-0.1%
Use of goods and services [GFS]	40,000.00	6.46	33,540.54	33,540.54	0.0%
Grants	10,000.00	- 20.41	30,412.16	30,338.01	-0.2%
574 National Capital District	43,324.00	- 1.66	44,986.16	44,986.16	0.0%
Operational	3,324.00	-1.00	4,324.00	4,324.00	0.0%
Compensation Of Employees[GFS]	-	-	-	-	0.0%
Grants	3,324.00	- 1.00	4,324.00	4,324.00	0.0%
Capital Investment	40,000.00	- 0.66	40,662.16	40,662.16	0.0%
Use of goods and services [GFS]	-	1.54-	1,540.54	1,540.54	0.0%
Grants	40,000.00	0.88	39,121.62	39,121.62	0.0%
575 Milne Bay Provincial Administration	153,999.00	0.30	153,701.70	172,967.84	11.1%
Operational	103,999.00	-	103,999.00	123,265.14	15.6%
Compensation Of Employees[GFS]	76,827.00	-	76,827.00	96,093.32	20.0%
Grants	27,172.00	-	27,172.00	27,171.82	0.0%
Capital Investment	50,000.00	0.30	49,702.70	49,702.70	0.0%
Use of goods and services [GFS]	-	- 1.54	1,540.54	1,540.54	0.0%

Details	Initial Budget	Supp. & Transfers	Revised Budget	2020 Outcome	Variance (%)
Grants	50,000.00	1.84	48,162.16	48,162.16	0.0%
576 Oro Provincial Administration	87,481.00	0.38	87,102.63	96,293.87	9.5%
Operational	57,481.00	-	57,481.00	66,672.24	13.8%
Compensation Of Employees[GFS]	42,402.00	-	42,402.00	51,593.51	17.8%
Grants	15,079.00	-	15,079.00	15,078.73	0.0%
Capital Investment	30,000.00	0.38	29,621.63	29,621.63	0.0%
Use of goods and services [GFS]	-	- 1.54	1,540.54	1,540.54	0.0%
Grants	30,000.00	1.92	28,081.08	28,081.09	0.0%
577 Southern Highlands Provincial Administration	197,751.00	- 14.24	211,994.25	264,607.53	19.9%
Operational	130,751.00	-	130,751.00	183,364.28	28.7%
Compensation Of Employees[GFS]	98,012.00	-	98,012.00	150,625.65	34.9%
Grants	32,739.00	-	32,739.00	32,738.63	0.0%
Capital Investment	67,000.00	-14.24	81,243.25	81,243.25	0.0%
Use of goods and services [GFS]	-	- 8.54	8,540.54	8,540.54	0.0%
Grants	67,000.00	- 5.70	72,702.71	72,702.71	0.0%
578 Enga Provincial Administration	172,772.00	- 36.74	209,515.25	246,554.54	15.0%
Operational	106,772.00	- 34.00	140,772.00	176,811.28	20.4%
Compensation Of Employees[GFS]	80,655.00	-	80,655.00	116,694.45	30.9%
Use of goods and services [GFS]	-	- 20.00	20,000.00	20,000.00	0.0%
Grants	26,117.00	- 14.00	40,117.00	40,116.84	0.0%
Capital Investment	66,000.00	- 2.74	68,743.25	69,743.26	1.4%
Use of goods and services [GFS]	10,000.00	- 1.54	11,540.54	11,540.54	0.0%
Non financial assets	-	-	-	1,000.00	100.0%
Grants	56,000.00	-1.20	57,202.71	57,202.72	0.0%
579 Western Highlands Provincial Administration	196,824.35	-5.20	202,027.05	233,060.81	13.3%
Operational	131,824.35	-5.00	136,824.35	167,716.16	18.4%
Compensation Of Employees[GFS]	119,132.00	-	119,132.00	150,023.92	20.6%
Grants	12,692.35	-5.00	17,692.35	17,692.24	0.0%
Capital Investment	65,000.00	-0.20	65,202.70	65,344.66	0.2%
Use of goods and services [GFS]	50,000.00	7.46	42,540.54	42,540.54	0.0%
Non financial assets	15,000.00	3.50	11,500.00	11,641.96	1.2%
Grants	-	- 11.16	11,162.16	11,162.16	0.0%
580 Simbu Provincial Administration	206,434.00	-14.28	220,717.78	248,920.23	11.3%
Operational	136,434.00	-	136,434.00	164,636.44	17.1%
Compensation Of Employees[GFS]	95,093.00	-	95,093.00	117,721.70	19.2%
Grants	41,341.00	-	41,341.00	41,330.53	0.0%
Write Offs And Depreciation	-	-	-	5,584.21	100.0%
Capital Investment	70,000.00	-14.28	84,283.78	84,283.79	0.0%
Use of goods and services [GFS]	70,000.00	7.96	62,040.54	62,040.54	0.0%
Grants	-	-22.24	22,243.24	22,243.24	0.0%
581 Eastern Highlands Provincial Administration	288,191.00	7.14	281,055.84	314,732.23	10.7%
Operational	171,191.00	-	171,191.00	207,081.72	17.3%
Compensation Of Employees[GFS]	125,134.00	-	125,134.00	161,025.12	22.3%
Grants	46,057.00	-	46,057.00	46,056.60	0.0%
Capital Investment	117,000.00	7.14	109,864.84	107,650.51	-2.1%
Use of goods and services [GFS]	10,000.00	0.46	9,540.54	9,540.54	0.0%
Non financial assets	27,000.00	7.00	20,000.00	17,785.65	-12.5%
Grants	80,000.00	- 0.32	80,324.30	80,324.32	0.0%
582 Morobe Provincial Administration	292,979.00	- 20.71	313,684.38	380,611.56	17.6%
Operational	191,279.00	- 11.00	202,279.00	270,706.20	25.3%
Compensation Of Employees[GFS]	183,837.00	-	183,837.00	252,264.58	27.1%
Grants	7,442.00	11.00-	18,442.00	18,441.63	0.0%
Capital Investment	101,700.00	-9.71	111,405.38	109,905.36	-1.4%
Use of goods and services [GFS]	10,000.00	0.46	9,540.54	9,540.54	0.0%
Grants	91,700.00	-10.16	101,864.84	100,364.82	-1.5%
583 Madang Provincial Administration	237,301.00	-3.78	241,084.78	276,790.93	12.9%
Operational	163,301.00	-	163,301.00	199,247.68	18.0%
Compensation Of Employees[GFS]	127,422.00	-	127,422.00	163,369.05	22.0%
Grants	35,879.00	-	35,879.00	35,878.64	0.0%
Capital Investment	74,000.00	-3.78	77,783.78	77,543.24	-0.3%
Use of goods and services [GFS]	10,000.00	-5.54	15,540.54	15,540.54	0.0%
Grants	64,000.00	1.76	62,243.24	62,002.70	-0.4%
584 East Sepik Provincial Administration	216,519.00	0.22	216,302.78	258,261.45	16.2%
Operational	146,519.00	-	146,519.00	188,477.67	22.3%
Compensation Of Employees[GFS]	100,722.00	-	100,722.00	142,714.58	29.4%
Grants	45,797.00	-	45,797.00	45,763.08	-0.1%
Capital Investment	70,000.00	0.22	69,783.78	69,783.78	0.0%
Use of goods and services [GFS]	5,000.00	0.46	4,540.54	5,540.54	18.0%

Details	Initial Budget	Supp. & Transfers	Revised Budget	2020 Outcome	Variance (%)
Grants	65,000.00	- 0.24	65,243.24	64,243.24	-1.6%
585 Sandaun Provincial Administration	146,837.00	-7.20	154,039.70	168,899.76	8.8%
Operational	96,837.00	-	96,837.00	111,697.06	13.3%
Compensation Of Employees[GFS]	61,964.00	-	61,964.00	76,824.36	19.3%
Grants	34,873.00	-	34,873.00	34,872.70	0.0%
Capital Investment	50,000.00	-7.20	57,202.70	57,202.70	0.0%
Use of goods and services [GFS]	-	- 1.54	1,540.54	1,540.54	0.0%
Grants	50,000.00	- 5.66	55,662.16	55,662.16	0.0%
586 Manus Provincial Administration	70,118.00	0.42	69,699.08	73,389.34	5.0%
Operational	50,118.00	-	50,118.00	53,808.26	6.9%
Compensation Of Employees[GFS]	36,278.00	-	36,278.00	39,968.54	9.2%
Grants	13,840.00	-	13,840.00	13,839.72	0.0%
Capital Investment	20,000.00	0.42	19,581.08	19,581.08	0.0%
Use of goods and services [GFS]	4,000.00	0.46	3,540.54	3,540.54	0.0%
Grants	16,000.00	- 0.04	16,040.54	16,040.54	0.0%
587 New Ireland Provincial Administration	97,566.01	-5.62	103,187.64	115,791.95	10.9%
Operational	58,566.01	- 1.00	59,566.01	77,170.33	22.8%
Compensation Of Employees[GFS]	57,010.00	-	57,010.00	74,614.43	23.6%
Grants	1,556.01	-1.00	2,556.01	2,555.90	0.0%
Capital Investment	39,000.00	-4.62	43,621.63	38,621.62	-12.9%
Use of goods and services [GFS]	15,000.00	- 0.54	15,540.54	15,540.54	0.0%
Grants	24,000.00	- 4.08	28,081.08	23,081.08	-21.7%
588 East New Britain Provincial Administration	169,004.00	-4.70	173,706.70	195,817.94	11.3%
Operational	119,004.00	-	119,004.00	141,115.24	15.7%
Compensation Of Employees[GFS]	106,543.00	-	106,543.00	128,654.40	17.2%
Grants	12,461.00	-	12,461.00	12,460.84	0.0%
Capital Investment	50,000.00	-4.70	54,702.70	54,702.70	0.0%
Use of goods and services [GFS]	25,000.00	4.46	20,540.54	20,540.54	0.0%
Grants	25,000.00	9.16	34,162.16	34,162.16	0.0%
589 West New Britain Provincial Administration	139,775.00	0.38	139,396.63	154,168.81	9.6%
Operational	109,775.00	-	109,775.00	124,604.49	11.9%
Compensation Of Employees[GFS]	79,450.00	-	79,450.00	94,279.66	15.7%
Grants	30,325.00	-	30,325.00	30,324.83	0.0%
Capital Investment	30,000.00	0.38	29,621.63	29,564.32	-0.2%
Use of goods and services [GFS]	-	- 1.54	1,540.54	1,540.54	0.0%
Grants	30,000.00	1.92	28,081.08	28,023.78	-0.2%
590 Autonomous Bougainville Administration	240,964.00	5.34	235,626.16	240,413.39	2.0%
Operational	150,964.00	-	150,964.00	174,901.23	13.7%
Compensation Of Employees[GFS]	118,496.00	-	118,496.00	142,433.28	16.8%
Grants	32,468.00	-	32,468.00	32,467.95	0.0%
Capital Investment	90,000.00	5.34	84,662.16	65,512.16	-29.2%
Use of goods and services [GFS]	65,000.00	8.46	56,540.54	37,390.54	-51.2%
Grants	25,000.00	-3.12	28,121.62	28,121.62	0.0%
591 Hela Provincial Administration	149,651.00	-25.41	175,063.16	186,013.66	5.9%
Operational	68,651.00	-	68,651.00	79,601.50	13.8%
Compensation Of Employees[GFS]	46,875.00	-	46,875.00	57,825.64	18.9%
Grants	21,776.00	-	21,776.00	21,775.86	0.0%
Capital Investment	81,000.00	-25.41	106,412.16	106,412.16	0.0%
Use of goods and services [GFS]	14,000.00	-2.54	16,540.54	16,540.54	0.0%
Non financial assets	25,000.00	8.00	17,000.00	17,000.00	0.0%
Grants	42,000.00	-30.87	72,871.62	72,871.62	0.0%
592 Jiwaka Provincial Administration	144,278.00	3.34	140,940.16	157,475.79	10.5%
Operational	94,278.00	-	94,278.00	110,813.63	14.9%
Compensation Of Employees[GFS]	67,043.00	-	67,043.00	83,578.69	19.8%
Grants	27,235.00	-	27,235.00	27,234.94	0.0%
Capital Investment	50,000.00	3.34	46,662.16	46,662.16	0.0%
Use of goods and services [GFS]	-	-3.54	3,540.54	3,540.54	0.0%
Non financial assets	10,000.00	5.00	5,000.00	5,000.00	0.0%
Grants	40,000.00	1.88	38,121.62	38,121.62	0.0%
Transport	1,107,134.00	13.21	1,093,921.31	1,052,962.65	-3.9%
National Departments	1,026,300.00	-1.87	1,028,173.04	988,006.38	-4.1%
259 Department of Transport	56,320.00	-1.15	57,472.44	45,687.98	-25.8%
Operational	24,320.00	2.85	21,472.44	20,319.60	-5.7%
Compensation Of Employees[GFS]	14,510.00	-	14,510.00	13,584.75	-6.8%
Use of goods and services [GFS]	9,041.00	2.16	6,877.40	6,640.76	-3.6%
Non financial assets	769.00	0.68	85.04	94.09	9.6%
Capital Investment	32,000.00	-4.00	36,000.00	25,368.38	-41.9%
Use of goods and services [GFS]	4,000.00	20.00-	24,000.00	22,501.38	-6.7%
Non financial assets	28,000.00	16.00	12,000.00	2,867.00	-318.6%

Details	Initial Budget	Supp. & Transfers	Revised Budget	2020 Outcome	Variance (%)
264 Department of Works and Implementation	969,980.00	-0.72	970,700.60	942,318.41	-3.0%
Operational	222,980.00	43.78	179,200.60	175,868.20	-1.9%
Compensation Of Employees[GFS]	90,000.00	5.50	84,500.00	91,715.58	7.9%
Use of goods and services [GFS]	103,424.00	32.28	71,143.03	62,779.39	-13.3%
Non financial assets	29,556.00	6.00	23,557.57	21,373.23	-10.2%
Capital Investment	747,000.00	- 44.50	791,500.00	766,450.20	-3.3%
Use of goods and services [GFS]	65,000.00	-96.00	160,998.11	158,203.19	-1.8%
Non financial assets	682,000.00	51.50	630,501.89	608,247.01	-3.7%
Statutory Authorities	80,834.00	15.09	65,748.28	64,956.27	-1.2%
523 Papua New Guinea Accidents Investigation Commission	10,529.00	2.07	8,459.84	7,667.83	-10.3%
Operational	6,529.00	0.07	6,459.84	5,667.83	-14.0%
Compensation Of Employees[GFS]	6,185.00	-	6,185.00	5,393.00	-14.7%
Use of goods and services [GFS]	344.00	0.07	274.84	274.83	0.0%
Capital Investment	4,000.00	2.00	2,000.00	2,000.00	0.0%
Use of goods and services [GFS]	4,000.00	2.00	2,000.00	2,000.00	0.0%
526 National Maritime Safety Authority	4,573.00	0.00	4,571.30	4,571.30	0.0%
Operational	1,573.00	0.00	1,571.30	1,571.30	0.0%
Compensation Of Employees[GFS]	1,438.00	-	1,438.00	1,438.00	0.0%
Use of goods and services [GFS]	135.00	0.00	133.30	133.30	0.0%
Capital Investment	3,000.00	-	3,000.00	3,000.00	0.0%
Use of goods and services [GFS]	3,000.00	-	3,000.00	3,000.00	0.0%
537 National Airports Corporation	30,000.00	-	30,000.00	30,000.00	0.0%
Capital Investment	30,000.00	-	30,000.00	30,000.00	0.0%
Use of goods and services [GFS]	10,000.00	-	10,000.00	10,000.00	0.0%
Non financial assets	20,000.00	-	20,000.00	20,000.00	0.0%
538 Papua New Guinea Air Services Limited	3,000.00	2.00	1,000.00	1,000.00	0.0%
Capital Investment	3,000.00	2.00	1,000.00	1,000.00	0.0%
Use of goods and services [GFS]	3,000.00	2.00	1,000.00	1,000.00	0.0%
545 Rural Airstrip Authority	8,930.00	5.06	3,869.00	3,869.00	0.0%
Operational	3,930.00	1.56	2,369.00	2,369.00	0.0%
Use of goods and services [GFS]	3,930.00	1.56	2,369.00	2,369.00	0.0%
Capital Investment	5,000.00	3.50	1,500.00	1,500.00	0.0%
Non financial assets	5,000.00	3.50	1,500.00	1,500.00	0.0%
565 Civil Aviation Safety Authority	15,802.00	- 2.05	17,848.13	17,848.14	0.0%
Operational	15,802.00	- 2.05	17,848.13	17,848.14	0.0%
Compensation Of Employees[GFS]	14,669.00	-	14,669.00	14,669.00	0.0%
Use of goods and services [GFS]	1,133.00	- 2.05	3,179.13	3,179.14	0.0%
567 National Road Authority	8,000.00	8.00	-	-	0.0%
Capital Investment	8,000.00	8.00	-	-	0.0%
Use of goods and services [GFS]	8,000.00	8.00	-	-	0.0%
Utilities	122,800.00	16.40	106,402.17	108,061.71	1.5%
National Departments	8,280.00	1.42	6,860.30	8,519.84	19.5%
257 Department of Public Enterprises	-	-	-	210.49	100.0%
Operational	-	-	-	210.49	100.0%
Compensation Of Employees[GFS]	-	-	-	210.49	100.0%
258 Department of Information and Communication	8,280.00	1.42	6,860.30	8,309.35	17.4%
Operational	5,280.00	0.08	5,360.30	6,809.35	21.3%
Compensation Of Employees[GFS]	1,770.00	-	1,770.00	2,705.61	34.6%
Use of goods and services [GFS]	3,500.00	0.09	3,586.30	4,099.73	12.5%
Non financial assets	10.00	0.01	4.00	4.00	0.0%
Capital Investment	3,000.00	1.50	1,500.00	1,500.00	0.0%
Non financial assets	3,000.00	1.50	1,500.00	1,500.00	0.0%
Statutory Authorities	114,520.00	14.98	99,541.87	99,541.87	0.0%
524 Independent Public Business Corporation	10,000.00	-	10,000.00	10,000.00	0.0%
Capital Investment	10,000.00	-	10,000.00	10,000.00	0.0%
Use of goods and services [GFS]	10,000.00	-	10,000.00	10,000.00	0.0%
525 National Broadcasting Commission	39,520.00	0.98	38,541.87	38,541.87	0.0%
Operational	34,520.00	0.98	33,541.87	33,541.87	0.0%
Compensation Of Employees[GFS]	27,550.00	-	27,550.00	27,550.00	0.0%
Use of goods and services [GFS]	6,950.00	0.97	5,975.21	5,975.21	0.0%
Non financial assets	20.00	0.00	16.67	16.67	0.0%
Capital Investment	5,000.00	-	5,000.00	5,000.00	0.0%
Use of goods and services [GFS]	5,000.00	-	5,000.00	5,000.00	0.0%
540 Water PNG	10,000.00	10.00	-	-	0.0%
Capital Investment	10,000.00	10.00	-	-	0.0%
Use of goods and services [GFS]	10,000.00	10.00	-	-	0.0%
544 PNG DataCo	19,000.00	-	19,000.00	19,000.00	0.0%
Capital Investment	19,000.00	-	19,000.00	19,000.00	0.0%

Details	Initial Budget	Supp. & Transfers	Revised Budget	2020 Outcome	Variance (%)
Use of goods and services [GFS]	14,000.00	-	14,000.00	14,000.00	0.0%
Non financial assets	5,000.00	-	5,000.00	5,000.00	0.0%
546 PNG Power Limited	31,000.00	-	31,000.00	31,000.00	0.0%
Capital Investment	31,000.00	-	31,000.00	31,000.00	0.0%
Use of goods and services [GFS]	28,000.00	-	28,000.00	28,000.00	0.0%
Non financial assets	3,000.00	-	3,000.00	3,000.00	0.0%
547 Telikom (PNG) Limited	5,000.00	4.00	1,000.00	1,000.00	0.0%
Capital Investment	5,000.00	4.00	1,000.00	1,000.00	0.0%
Non financial assets	5,000.00	4.00	1,000.00	1,000.00	0.0%
Debt Services	2,156,894.27	162.20	1,994,691.90	2,165.10	7.1%
Debt Services	2,156,894.27	162.20	1,994,691.90	2,165,100.0	7.1%
299 Treasury and Finance - Public Debt Charges	2,156,894.27	162.20	1,994,691.90	2,165,100.0	7.1%
Operational	2,156,894.27	162.20	1,994,691.90	2,165,100.0	7.1%
Interest [GFS]	2,156,894.27	162.20	1,994,691.90	2,165,100.0	7.1%
Grand Total	15,843,344.20	806.70	15,036,641.83	15,821,764.11	5.22%

Source: Department of Treasury.

Attachment B: Details of Section 4 Transfers By Agencies (Kina' Million).

Agencies	Amount
202 Office of Governor-General	4.5
203 Department of Prime Minister & NEC	4.1
204 National Statistical Office	0.5
207 Treasury and Finance - Miscellaneous	1,206.1
208 Department of Treasury	8.5
211 PNG Customs Service	10.8
220 Department of Personnel Management	0.4
222 Office of the Public Solicitor	0.1
225 Department of Attorney-General	1.0
227 Provincial Treasuries	0.6
228 Department of Police	9.4
230 Electoral Commission	2.1
231 National Intelligence Organisation	0.1
234 Department of Defence	4.3
236 Department of Higher Education Research Science & Technology	5.5
243 National Volunteer Services	0.5
248 Southern Highlands Provincial Health Authority	0.7
249 New Ireland Provincial Health Authority	1.0
253 West New Britain Provincial Health Authority	1.5
254 Department of Mineral Policy and Geohazards Management	0.5
255 Department of Petroleum and Energy	2.5
261 Department of Commerce and Industry	30.0
264 Department of Works and Implementation	5.5
267 Department of Implementation and Rural Development	0.0
299 Treasury and Finance - Public Debt Charges	126.6
358 Manan resettlement Authority	2.2
542 National Cultural Commission	0.7
572 Gulf Provincial Administration	6.2
578 Enga Provincial Administration	1.0
Grand Total	1,436.8

Source: Department of Treasury.

Attachment C: Details of Section 4 Transfers Out of Agencies (Kina' Million).

Agencies	Amount
201 National Parliament	-582.0
202 Office of Governor-General	-49.2
203 Department of Prime Minister & NEC	-763.5
204 National Statistical Office	-98.7
205 Office of Bougainville Affairs	-0.2
206 Department of Finance	-116.0
207 Treasury and Finance - Miscellaneous	-2,114.1
208 Department of Treasury	-2.0
211 PNG Customs Service	-0.4
228 Department of Police	-2.0
229 Department of National Planning and Monitoring	-112.1
234 Department of Defence	-4.0
235 Department of Education	-238.0
240 Department of Health	-7.0
241 Hospital Management Services	-3.7
245 Conservation and Environment Protection Authority	-4.0
247 Department of Agriculture and Livestock	-1.0
261 Department of Commerce and Industry	-20.0
264 Department of Works and Implementation	-203.0
357 Port Moresby General Hospital	-2.0
358 Manan resettlement Authority	-3.0
571 Fly River Provincial Administration	-6.5
572 Gulf Provincial Administration	-20.4
578 Enga Provincial Administration	-2.0
579 Western Highlands Provincial Administration	-1.5
Grand Total	-4,356.2

Source: Department of Treasury.

Attachment D: Details of Section 4 Transfers Into Agencies (Kina' Million).

Agencies	Amount
207 Treasury and Finance - Miscellaneous	128.5
208 Department of Treasury	30.3
211 PNG Customs Service	22.3
212 Information Technology Division	0.6
216 Internal Revenue Commission	0.4
217 Department of Foreign Affairs and Trade	8.8
218 Office of the Public Prosecutor	0.0
220 Department of Personnel Management	19.0
222 Office of the Public Solicitor	0.5
224 Magisterial Services	0.0
225 Department of Attorney-General	46.4
226 Department of Corrective Institutional Services	1.3
227 Provincial Treasuries	5.8
228 Department of Police	104.6
229 Department of National Planning and Monitoring	40.9
230 Electoral Commission	19.9
232 Provincial and Local Government Affairs	33.7
234 Department of Defence	173.0
235 Department of Education	248.4
236 Department of Higher Education Research Science & Technology	525.8
240 Department of Health	115.1
242 Department of Community Development	0.6
247 Department of Agriculture and Livestock	2.5
252 Department of Lands and Physical Planning	2.8
254 Department of Mineral Policy and Geohazards Management	2.8
255 Department of Petroleum and Energy	0.6
258 Department of Information and Communication	11.3
261 Department of Commerce and Industry	640.2
262 Department of Industrial Relations	4.8
264 Department of Works and Implementation	175.9
266 Sandaun Provincial Health Authority	1.0
299 Treasury and Finance - Public Debt Charges	93.3
352 PNG Office of Civil Registration & National Identity	2.0
357 Port Moresby General Hospital	2.0
502 Office of the Auditor-General	0.5
503 Ombudsman Commission	1.9
506 National Training Council	11.5
507 National Economic & Fiscal Commission	4.1
510 Legal Training Institute	7.8
516 Papua New Guinea Sports Foundation	15.0
518 PNG Maritime College	10.7
520 Institute of Medical Research	6.0
522 Constitutional and Law Reform Commission	53.8
535 Mineral Resources Authority	6.0
536 Kokonas Industry Corporation	2.0
542 National Cultural Commission	1.5
557 PNG National Forest Authority	6.0
558 Tourism Promotion Authority	4.1

Agencies	Amount
563 National Agriculture Quarantine & Inspection Authority	3.0
565 Civil Aviation Safety Authority	83.4
566 Cocoa Board	8.2
569 Independent Consumer and Competition Commission	30.8
577 Southern Highlands Provincial Administration	26.1
578 Enga Provincial Administration	68.0
579 Western Highlands Provincial Administration	5.0
580 Simbu Provincial Administration	16.0
581 Eastern Highlands Provincial Administration	202.0
582 Morobe Provincial Administration	29.0
583 Madang Provincial Administration	6.0
585 Sandaun Provincial Administration	13.0
587 New Ireland Provincial Administration	8.0
588 East New Britain Provincial Administration	5.0
590 Autonomous Bougainville Administration	10.0
591 Hela Provincial Administration	129.4
592 Jiwaka Provincial Administration	922.1
604 West New Britain Provincial Health Authority	96.8
607 East Sepik Provincial Health Authority	6.0
608 Madang Provincial Health Authority	1.5
613 Enga Provincial Health Authority	2.0
616 Gulf Provincial Health Authority	36.0
618 Milne Bay Provincial Health Authority	53.2
Grand Total	4,356.2

Source: Department of Treasury