



CERTIFICATE.

I, certify that I have drafted the following Bills in accordance with the National Executive Council Decision No. NG03/2022 dated 29th August 2022, and the Drafting Instructions:

1. *Excise Tariff (Supplementary Budget) (Amendment) Bill 2022* (Draft of 01/09/22);
2. *Goods and Services Tax (Supplementary Budget)(Amendment) Bill 2022* (Draft of 01/09/22);
3. *Supplementary (Appropriation) Bill 2022* (Draft of 01/09/22).

A handwritten signature in blue ink, appearing to read "M Toliman".

MARLEEN TOLIMAN AKOP
FIRST LEGISLATIVE COUNSEL.

01st September, 2022.

No. of 2022

Supplementary (Appropriation) Bill 2022



No. of 2022.

Supplementary (Appropriation) Bill 2022.

ARRANGEMENT OF CLAUSES.

PART I. - REDUCTION OF 2022 APPROPRIATION FOR CAPITAL EXPENDITURE.

1. Reduction of Capital Expenditure Appropriation.

PART II. - INCREASE OF 2022 APPROPRIATION FOR OPERATIONAL EXPENDITURE AND RE-APPROPRIATION OF 2022 CAPITAL EXPENDITURE.

2. Increase of Operational Expenditure Appropriation and Re-Appropriation of Capital Expenditure Appropriation.

PART III. - 2022 SUPPLEMENTARY APPROPRIATION.

3. Direction for appropriated expenditure.
4. Amendment to Section 4(3) of the *Appropriation (General Public Services Expenditure 2022) Act 2021*.

SCHEDULE 1.

SCHEDULE 2.

SCHEDULE 3.



A BILL

for

AN ACT

entitled

Supplementary (Appropriation) Bill 2022.

Being an Act to grant and apply out of the Consolidated Revenue Fund a reduction of expenditure for the year ending 31 December 2022, as well as re-appropriate the appropriations contained in the *Appropriation (General Public Service Expenditure 2022) Act 2021*.

MADE by the National Parliament.

PART I. - REDUCTION OF 2022 APPROPRIATION FOR OPERATIONAL AND CAPITAL EXPENDITURE.

1. REDUCTION OF OPERATIONAL AND CAPITAL EXPENDITURE APPROPRIATION.

The *Appropriation (General Public Service Expenditure 2022) Act 2021* is amended to reduce K389,700,000.00 in accordance with the details set out in Schedule 1.

PART II. - INCREASE OF 2022 OPERATIONAL EXPENDITURE AND RE-APPROPRIATION OF 2022 CAPITAL EXPENDITURE.

2. INCREASE OF OPERATIONAL EXPENDITURE AND RE-APPROPRIATION OF CAPITAL EXPENDITURE.

The sum of K1,588,500,000.00 is granted from this Act out of the Consolidated Revenue fund for expenditure for the year 31 December, 2022 and is appropriated for the approved purposes in Schedule 2 and Schedule 3.

PART III. - 2022 SUPPLEMENTARY BUDGET.

3. DIRECTION FOR APPROPRIATED EXPENDITURE.

K1,065,500,000.00 of the amount appropriated in Section 2 must be immediately transferred to the Department of Treasury administered "Division 207" for immediate payment into respective departments to offset the following -

- (a) K160,000,000.00 will be appropriated to the Department of Treasury administered 'Division 207' for immediate payment to cater for school project fee re-imburement; and

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- (b) K201,000,000.00 will be appropriated to the Department of Treasury administered 'Division 207' for immediate payment to cater for expected salaries overrun for immediate payment into respective departments; and
- (c) K42,000,000.00 will be appropriated to the Department of Treasury administered 'Division 207' for immediate payment to cater for part-year public service 3% salary increments for immediate payment into respective departments; and
- (d) K52,500,000.00 will be appropriated to the Department of Treasury administered 'Division 207' for immediate payment to cater for part-year effect of SRC Determination for immediate payment into respective departments; and
- (e) K50,000,000.00 will be appropriated to the Department of Treasury administered 'Division 207' for immediate payment to the Retirement program; and
- (f) K255,000,000.00 will be appropriated to the Department of Treasury administered 'Division 207' for immediate payment into the Arrears; and
- (g) K30,000,000.00 will be appropriated to the Department of Treasury administered 'Division 207' for the Sustainable Development Goal 8 program; and
- (h) K15,000,000.00 will be appropriated to the Department of Treasury administered for the Urban Infrastructure program; and
- (i) K200,000,000.00 will be appropriated to the Department of Treasury administered 'Division 207' to cater for Utilities and government rentals; and
- (j) K30,000,000.00 will be appropriated to the Department of Treasury administered 'Division 207' for immediate payment to the PNG Power Limited for household package fuel costs; and
- (k) K30,000,000.00 will be appropriated to the Department of Treasury administered 'Division 207' for immediate payment to court cases; and
- (l) K453,000,000.00 of the amount appropriated in Section 2 must be immediately transferred to the Department of National Planning and Monitoring for immediate payment into respective Districts and Provinces in the following:
 - (i) K222,000,000.00 will be appropriated to Department of National Planning and Monitoring for the District Support Improvement Program (DSIP) and the Provincial Support Improvement Program (PSIP); and
 - (ii) K21,000,000.00 of the amount appropriated in Section 3 will be appropriated to Department of National Planning and Monitoring for the District Support Improvement Program (DSIP) of the seven new districts; and
 - (iii) K210,000,000.00 will be appropriated to the Department of National Planning and Monitoring for immediate payment to support the re-opening of the Porgera Mine; and
- (m) K70,000,000.00 of the amount appropriated in Section 2 must be immediately transferred to the Department of Petroleum and Energy for immediate payment of specific NEC Decisions in the following:
 - (i) K40,000,000.00 will be appropriated to the Department of Petroleum and Energy for immediate payment of outstanding capped MOA's; and
 - (ii) K30,000,000.00 will be appropriated to the Department of Petroleum and Energy for immediate payment of Ex-Gratia Payments.

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4. AMENDMENT TO SECTION 4(3) OF THE APPROPRIATION (GENERAL PUBLIC SERVICES EXPENDITURE 2022) ACT 2021.

(1) Subject to Section 4(3) of the *Appropriation (General Public Services Expenditure 2022) Act 2021*, specifying the transfers limit at 10 percent, this section increases the limit from 10 percent to 20 percent of the revised Appropriation, specifically on the Operational Appropriation plus aggregate of the direct financing component of the Capital Investment Appropriation.

(2) The 20 percent is equivalent to K3,809,074,213.00 of the revised appropriation of the Operational Appropriation plus aggregate of the direct financing component of the Capital Investment Appropriation.

(3) This Act sets the remaining limit at K2,056,704,213.80 considering the used 9.6 percent of this limit.

SCHEDULE 1.

Reduction of *Appropriation (General Public Service Expenditure 2022) Act 2022* identified Capital and Operational Expenditure in Section 1 of this Act.

Agency	Appropriation	Amount
203 - Department of Prime Minister and NEC	23040 - Manasupe Haus Refurbishment	(2,000,000.00)
206 - Department of Finance	22305 - Rural Infrastructures	(20,000,000.00)
208 - Department of Treasury	22302 - Urban Infrastructures	(805,000.00)
229 - Department of National Planning and Monitoring	20059 - Tax Credit Secretariat Support	(2,000,000.00)
229 - Department of National Planning and Monitoring	22826 - Rural Electrification Program	(4,000,000.00)
229 - Department of National Planning and Monitoring	22955 - Monitoring and Evaluation Program	(6,395,000.00)
229 - Department of National Planning and Monitoring	23006 - State Equity Fund (Agriculture and Others)	(12,000,000.00)
229 - Department of National Planning and Monitoring	23258 - Wutung Border Trade Center Development	(1,000,000.00)
229 - Department of National Planning and Monitoring	23318 - Transport Freight Subsidy Scheme for Existing Operators	(13,000,000.00)
229 - Department of National Planning and Monitoring	23374 - Ward Support Improvement Program	(2,500,000.00)
229 - Department of National Planning and Monitoring	23501 - Wafi Golpu Infrastructure Development Grant	(5,000,000.00)
229 - Department of National Planning and Monitoring	23603 - Financial Technology (Fintech) Block Chain Government	(2,000,000.00)

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229 - Department of National Planning and Monitoring	23730 - Churches Heritage Redevelopment Program	(7,000,000.00)
229 - Department of National Planning and Monitoring	23735 - Intergrated Economic Infrastructure Projects	(3,000,000.00)
229 - Department of National Planning and Monitoring	23737 - Lae City Authority Projects	(3,000,000.00)
229 - Department of National Planning and Monitoring	23738 - Mt. Hagen City Authority Projects	(3,000,000.00)
229 - Department of National Planning and Monitoring	23739 - MVNO Support Grant	(2,000,000.00)
229 - Department of National Planning and Monitoring	23740 - National Gold Corporation	(7,000,000.00)
229 - Department of National Planning and Monitoring	23741 - National Orphanage Development Program	(7,000,000.00)
229 - Department of National Planning and Monitoring	23743 - Seat of Government	(18,000,000.00)
229 - Department of National Planning and Monitoring	23748 - Western Hospital- Rumginae	(20,000,000.00)
229 - Department of National Planning and Monitoring	23749 - Women's Financial Inclusion Program	(10,000,000.00)
229 - Department of National Planning and Monitoring	23750 - Women's Micro Bank Support	(5,000,000.00)
229 - Department of National Planning and Monitoring	23764 - Pacific Maritime Industrial Zone (PMIZ)	(20,000,000.00)
229 - Department of National Planning and Monitoring	23825 - Gembogl- Madang Road	(1,805,000.00)
229 - Department of National Planning and Monitoring	23826 - Public Service University	(3,000,000.00)
234 - Department of Defence	23588 - Nomananeng - Indagen Missing Link Road (Kabwum)	(2,000,000.00)
235 - Department of Education	22310 - Education Infrastructure	(2,000,000.00)
235 - Department of Education	22793 - Improving the Quality of Mathematics & Science Education	(1,000,000.00)
235 - Department of Education	23125 - Teachers Development and Training	(1,000,000.00)
235 - Department of Education	23590 - 3-6-6 School Restructure (Multiskill Tech School Pilot)	(500,000.00)
235 - Department of Education	23664 - Early Childhood Teachers Development Program	(500,000.00)
236 - Department of Higher Education Research Science and Technology	22138 - Western Pacific University	(500,000.00)
236 - Department of Higher Education Research Science and Technology	22646 - Teacher's College Infra Rehabilitation	(1,000,000.00)

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236 - Department of Higher Education Research Science and Technology	22648 - Nursing College Infra. Rehabilitation	(500,000.00)
512 - University of Papua New Guinea	23414 - UPNG Infrastructure Maintenance	(1,000,000.00)
513 - University of Technology	22693 - Library Extension	(250,000.00)
513 - University of Technology	23137 - Multi-Purpose Hall	(250,000.00)
247 - Department of Agriculture and Livestock	22306 - Commodity Price Stabilisation & Agriculture Intervention	(5,000,000.00)
252 - Department of Lands and Physical Planning	21258 - Border Survey and Mapping Development Project	(1,000,000.00)
252 - Department of Lands and Physical Planning	23264 - National Land Development Program Phase II	(1,000,000.00)
254 - Department of Mineral Policy and Geohazards Management	23075 - Review of Mining Legislation and Policies (Mining Safety Act	(1,000,000.00)
255 - Department of Petroleum and Energy	23681 - Papua LNG Development Forum	(2,000,000.00)
261 - Department of Commerce and Industry	23378 - SME Funding for Agriculture	(30,000,000.00)
558 - Tourism Promotion Authority	22850 - Tourism Sustainable Development Program	(2,000,000.00)
562 - National Agriculture Research Institute	23399 - NARI Infrastructure Development Program	(1,000,000.00)
258 - Department of Information and Communication	23642 - Kumul Satellite Project	(1,000,000.00)
258 - Department of Information and Communication	23863 - Analogue to Digital Migration	(4,695,000.00)
590 - Autonomous Bougainville Administration	22685 - Restoration and Development Grant (Outstanding)	(50,000,000.00)
Total Capital Reduction		(289,700,000.00)

207 - Miscellaneous	10052 - Multi-Departmental Office Accommodation	(5,880,000.00)
208 - Miscellaneous	10054 - Nambawan Supa Exit Payments	(2,502,000.00)
209 - Miscellaneous	10063 - Multi-Departmental Utilities	(500,000.00)
210 - Miscellaneous	10068 - Arrears	(145,000.00)
211 - Miscellaneous	10072 - Natural Disasters	(4,293,000.00)
212 - Miscellaneous	10074 - SGS (Log Monitoring)	(747,000.00)
213 - Miscellaneous	10075 - Retirement Fund	(15,217,000.00)
214 - Miscellaneous	10750 - Education Fee Free Subsidy	(4,779,000.00)
215 - Miscellaneous	10787 - Foreign Missions	(873,000.00)
216 - Miscellaneous	10865 - Higher Education Loan Program	(4,753,000.00)
217 - Miscellaneous	10904 - DRBF Unfunded Liabilities	(1,494,000.00)
218 - Miscellaneous	10906 - Mano Check Point	(149,000.00)
219 - Miscellaneous	10907 - Dubai Expo	(254,000.00)

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220 - Miscellaneous	11618 - Timber Rights Purchase	(60,000.00)
221 - Miscellaneous	11733 - S45a Superannuation Non-Contributory Vested Benefits	(448,000.00)
222 - Miscellaneous	11850 - Sovereign Wealth Fund Working Group	(22,000.00)
223 - Miscellaneous	11861 - State Share Contribution to Nambawan Supa - Automation	(42,125,000.00)
224 - Miscellaneous	11896 - Transitional Govt/Post Election	(1,498,000.00)
225 - Miscellaneous	12085 - Landowner Settlements - Sirinumu and Rauna	(747,000.00)
226 - Miscellaneous	12088 - Free Primary Health Care	(1,494,000.00)
227 - Miscellaneous	12090 - National Events	(519,000.00)
228 - Miscellaneous	12096 - Legal Brief Outs	(1,344,000.00)
229 - Miscellaneous	12231 - Public Sector Audit Committee	(75,000.00)
230 - Miscellaneous	12233 - PHAs IFMS Roll-Out	(224,000.00)
231 - Miscellaneous	12976 - Elections Disputed Returns	(672,000.00)
232 - Miscellaneous	12979 - Improving Government Finance Statistics	(45,000.00)
233 - Miscellaneous	12982 - Clan Vetting Program	(149,000.00)
234 - Miscellaneous	13011 - Local Level Government Officials Allowances	(3,734,000.00)
235 - Miscellaneous	13117 - General Election Preparations	(373,000.00)
236 - Miscellaneous	13129 - Manpower & Payroll Cleansing (OSPEAC)	(284,000.00)
237 - Miscellaneous	13135 - Nurses Awards	(2,241,000.00)
238 - Miscellaneous	13191 - Former Provincial Members Allowance	(1,494,000.00)
239 - Miscellaneous	13264 - PIP Monitoring & Evaluation	(70,000.00)
240 - Miscellaneous	13268 - Labor Mobility Unit Secretariat	(523,000.00)
241 - Miscellaneous	13325 - Medium Term Revenue Strategy (Reforms)	(273,000.00)
Total Operational Reduction		(100,000,000.00)
Grand Total		(389,700,000.00)

Supplementary (Appropriation)

SCHEDULE 2.

Increase of *Appropriation (General Public Service Expenditure 2022) Act 2022* identified Operational Expenditure in Section 2 of this Act.

Agency	Appropriation	Amount
207 Miscellaneous	PE Overruns in MYEFO	201,000,000.00
207 Miscellaneous	Partial CPI for Public Service	42,000,000.00
207 Miscellaneous	SRC Determination	52,500,000.00
207 Miscellaneous	10750 - Education Fee Free Subsidy	126,000,000.00
207 Miscellaneous	10750 - Education Fee Free Subsidy	34,000,000.00
207 Miscellaneous	10075 – Retirement Fund	50,000,000.00
207 Miscellaneous	10068 - Arrears	255,000,000.00
207 Miscellaneous	10901 – District Maintenance	30,000,000.00
208 Department of Treasury	Urban Infrastructures	15,000,000.00
207 Miscellaneous	10063 - Multi-Departmental Utilities	100,000,000.00
207 Miscellaneous	10052 - Multi-Departmental Office Accommodation	100,000,000.00
546 PNG Power Limited	PNG Power Limited	30,000,000.00
207 Miscellaneous	10064 - Court Cases	30,000,000.00
Grand Total		1,065,500,000.00

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SCHEDULE 3.

Re-Appropriation of *Appropriation (General Public Service Expenditure 2022) Act 2022* identified Capital Expenditure in Section 2 of this Act.

Department	Appropriation Description	Amount
571 Fly River Provincial Administration	21784 Provincial Support Improvement Program-Fly	2,000,000.00
572 Gulf Provincial Administration	21786 Provincial Support Improvement Program-Gulf	2,000,000.00
573 Central Provincial Administration	21792 Provincial Support Improvement Program-Central	2,000,000.00
574 National Capital District	21796 Provincial Support Improvement Program-NCD	2,000,000.00
575 Milne Bay Provincial Administration	21800 Provincial Support Improvement Program-Milne Bay	2,000,000.00
576 Oro Provincial Administration	21805 Provincial Support Improvement Program - Oro	2,000,000.00
577 Southern Highlands Provincial administration	21810 Provincial Support Improvement Program-SHP	2,000,000.00
578 Enga Provincial Administration	21815 Provincial Support Improvement Program - Enga	2,000,000.00
579 Western Highlands Provincial Administration	21819 Provincial Support Improvement Program-WHP	2,000,000.00
580 Simbu Provincial Administration	21824 Provincial Support Improvement Program-Simbu	2,000,000.00
581 Eastern Highlands Provincial Administration	21828 Provincial Support Improvement Program-EHP	2,000,000.00
582 Morobe Provincial Administration	21832 Provincial Support Improvement Program-Morobe	2,000,000.00
583 Madang Provincial Administration	21836 Provincial Support Improvement Program-Madang	2,000,000.00
584 East Sepik Provincial Administration	21840 Provincial Support Improvement Program - ESP	2,000,000.00
585 Sandaun Provincial Administration	21869 Provincial Support Improvement Program - WSP	2,000,000.00
586 Manus Provincial Administration	21873 Provincial Support Improvement Program-Manus	2,000,000.00
587 New Ireland Provincial Administration	21879 Provincial Support Improvement Program-NIP	2,000,000.00
588 East New Britain Provincial Administration	21883 Provincial Support Improvement Program-ENB	2,000,000.00
589 West New Britain Provincial Administration	21887 Provincial Support Improvement Program-WNB	2,000,000.00

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590 Autonomous Bougainville Administration	21891 Provincial Support Improvement Program-ABG	2,000,000.00
591 Hela Provincial Administration	21898 Provincial Support Improvement Program-Hela	2,000,000.00
592 Jiwaka Provincial Administration	21894 Provincial Support Improvement Program-Jiwaka	2,000,000.00
571 Fly River Provincial Administration	21781 District Support Improvement Program-Fly	6,000,000.00
572 Gulf Provincial Administration	21785 District Support Improvement Program-Gulf	4,000,000.00
573 Central Provincial Administration	21791 District Support Improvement Program-Central	8,000,000.00
574 National Capital District	21795 District Support Improvement Program-NCD	6,000,000.00
575 Milne Bay Provincial Administration	21799 District Support Improvement Program. MBay	8,000,000.00
576 Oro Provincial Administration	21804 District Support Improvement Program - Oro	4,000,000.00
577 Southern Highlands Provincial administration	21809 District Support Improvement Program-SHP	10,000,000.00
578 Enga Provincial Administration	21814 District Support Improvement Program - Enga	10,000,000.00
579 Western Highlands Provincial Administration	21818 District Support Improvement Program-WHP	8,000,000.00
580 Simbu Provincial Administration	21823 District Support Improvement Program- Simbu	12,000,000.00
581 Eastern Highlands Provincial Administration	21827 District Support Improvement Program-EHP	16,000,000.00
582 Morobe Provincial Administration	21831 District Support Improvement Program-Morobe	18,000,000.00
583 Madang Provincial Administration	21835 District Support Improvement Program- Madang	12,000,000.00
584 East Sepik Provincial Administration	21839 District Support Improvement Program- ESP	12,000,000.00
585 Sandaun Provincial Administration	21868 District Support Improvement Program- WSP	8,000,000.00
586 Manus Provincial Administration	21872 District Support Improvement Program-Manus	2,000,000.00
587 New Ireland Provincial Administration	21878 District Support Improvement Program-NIP	4,000,000.00
588 East New Britain Provincial Administration	21882 District Support Improvement Program-ENB	8,000,000.00
589 West New Britain Provincial Administration	21886 District Support Improvement Program-WNB	4,000,000.00

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590 Autonomous Bougainville Administration	21892 District Support Improvement Program-ABG	6,000,000.00
591 Hela Provincial Administration	21899 District Support Improvement Program-Hela	6,000,000.00
592 Jiwaka Provincial Administration	21893 District Support Improvement Program-Jiwaka	6,000,000.00
573 Central Provincial Administration	Hiri - Koiari District Support Improvement Program	3,000,000.00
576 Oro Provincial Administration	Popondetta District Support Improvement Program	3,000,000.00
571 Fly-River Provincial Administration	Delta - Fly District Support Improvement Program	3,000,000.00
582 Morobe Provincial Administration	Wau – Waria District Support Improvement Program	3,000,000.00
589 West New Britain Provincial Administration	Nakanai – Central District Support Improvement Program	3,000,000.00
578 Enga Provincial Administration	Pogera Paiela District Support Improvement Program	3,000,000.00
591 Hela Provincial Administration	Komo – Hulia District Support Improvement Program	3,000,000.00
229 Department of National Planning and Monitoring	Porgera Re-opening	210,000,000.00
255 Department of Petroleum and Energy	23391 Outstanding Capped MoAs	40,000,000.00
255 Department of Petroleum and Energy	Ex-Gratia Payment (PDL6 Los) - NEC Decision	30,000,000.00
Grand Total		523,000,000.00

Supplementary (Appropriation) Bill 2022

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

**SUPPLEMENTARY (APPROPRIATION) BILL 2022
FOR THE YEAR ENDING 31 DECEMBER 2022**

The purpose of the *Supplementary (Appropriation) Bill 2022* is to provide a sum of K1,588,500,000.00 for the year ending 31 December 2022 (the current financial year), as required under Section 209(2) (c) of the Constitution as amended.

This Act increases appropriations for items in the 2022 Operational Expenditure by K1,065,500,000.00 and 2022 Capital Expenditure by K523,000,000.00. The Act will increase and re-appropriate these amounts for the purposes identified in this Bill.

The *Supplementary (Appropriation) Bill 2022* has three parts.

Part I reduce appropriations in the 2022 Capital Expenditure by a total of K289,700,000.00 and reduce appropriations in the 2022 Operational Expenditure by a total of K100,000,000, and

Part II increases appropriations for the 2022 Operational Expenditure by K1,065,500,000.00, and re-appropriates and appropriates 2022 Capital Expenditure by K523,000,000.00, and

Part III 2022 Supplementary Budget Appropriation and Amendment to Section 4(3) of the Appropriation (General Public Services Expenditure 2022) Act 2021.

Summary of Supplementary Budget

The Total Amount is reduced, increased and re-appropriated as follows:

1. K389,700,000.00 represents reduction of items identified in Schedule 1 of the Bill
2. K1,065,500,000.00 represents increase of items identified in Schedule 2 of the Bill.
3. K523,000,000.00 represents increases of items identified in Schedule 3 of the Bill.

Components	Total Appropriation
Reduction of Amounts from Capital Expenditure in Schedule 1	K389,700,000.00
Total Reduction	K389,700,000.00
Increase of Amounts from Operational Expenditure in Schedule 2	K1,065,500,000.00
Re-Appropriation of Amounts from Capital Expenditure in Schedule 3	K523,000,000.00
Total Increases	K1,588,500,000.00

Composition of Supplementary Budget

Of the Total Amount;

- a) K160,000,000.00 will be appropriated to the Department of Treasury administered 'Division 207' for immediate payment to cater for school project fee re-imburement; and

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- b) K201,000,000.00 will be appropriated to the Department of Treasury administered 'Division 207' for immediate payment to cater for expected salaries overrun for immediate payment into respective departments; and
- c) K42,000,000.00 will be appropriated to the Department of Treasury administered 'Division 207' for immediate payment to cater for part-year public service 3% Salary increments for immediate payment into respective departments; and
- d) K52,500,000.00 will be appropriated to the Department of Treasury administered 'Division 207' for immediate payment to cater for part-year effect of SRC Determination for immediate payment into respective departments; and
- e) K50,000,000.00 will be appropriated to the Department of Treasury administered 'Division 207' for immediate payment to cater for the Retirement program; and
- f) K255,000,000.00 will be appropriated to the Department of Treasury administered 'Division 207' for immediate payment into the Arrears; and
- g) K30,000,000.00 will be appropriated to the Department of Treasury administered 'Division 207' for the District Maintenance program; and
- h) K15,000,000.00 will be appropriated to the Department of Treasury administered for the Urban Infrastructure program; and
- i) K200,000,000.00 will be appropriated to the Department of Treasury administered 'Division 207' to cater for Utilities and government rentals; and
- j) K30,000,000.00 will be appropriated to the Department of Treasury administered 'Division 207' for immediate payment to the PNG Power Limited for household package fuel costs; and
- k) K30,000,000.00 will be appropriated to the Department of Treasury administered 'Division 207' for immediate payment to court cases; and
- l) K222,000,000.00 will be appropriated to Department of National Planning & Monitoring for the District Support Improvement Program (DSIP) and the Provincial Support Improvement Program (PSIP); and
- m) K21,000,000.00 will be appropriated to Department of National Planning & Monitoring for the District Support Improvement Program (DSIP) of the seven new districts; and
- n) K210,000,000.00 will be appropriated to the Department of National Planning & Monitoring for immediate payment to support the re-opening of the Pogera Mine; and
- o) K40,000,000.00 will be appropriated to the Department of Petroleum and Energy for immediate payment of outstanding capped MOA's; and
- p) K30,000,000.00 will be appropriated to the Department of Petroleum and Energy for immediate payment of Ex-Gratia Payments.

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4. Amendment to Section 4(3) of the Appropriation (General Public Services Expenditure 2022) Act 2021.

Subject to Section 4(3) of the Appropriation (General Public Services Expenditure 2022) Act 2021, specifying the transfers limit at ten percent, this section of this Act increases the limit from ten percent or K1,816,957,106.90 of the Operational Appropriation plus aggregate of the direct financing component of the Capital Investment Appropriation to twenty percent of the revised Appropriation, on the Operational Appropriation plus aggregate of the direct financing component of the Capital Investment Appropriation or K3,809,074,213.00.

This Act allows transfers limit of Appropriations between activities during budget execution at K2,056,704,213.80 in nominal terms recognising the already used transfers limit of 9.2 percent or K1,752,370,000.00 of the Operational Appropriation plus aggregate of the direct financing component of the Capital Investment Appropriation. The formation of revised Ministries as part of a new Government requires increased flexibilities.

SECOND READING SPEECH

Supplementary (Appropriation) Bill 2022

MR SPEAKER,

THE SUPPLEMENTARY BUDGET BILLS PROPOSE ARRANGEMENTS THAT SUPPORT OUR FINANCIAL MANAGEMENT:

1. THE SUPPLEMENTARY (APPROPRIATION) BILL 2022 PROVIDES A SUM OF K1,588,500,000.00 FOR THE YEAR ENDING 31 DECEMBER 2022 (THE CURRENT FINANCIAL YEAR), AS REQUIRED UNDER SECTION 209(2) (C) OF THE CONSTITUTION AS AMENDED.
2. THIS BILL REDUCES APPROPRIATIONS BY K389,700,000.00, AND THEN INCREASES APPROPRIATIONS FOR ITEMS IN THE 2022 OPERATIONAL EXPENDITURE BY K1,065,500,000.00 AND 2022 CAPITAL EXPENDITURE BY K523,000,000.00.
3. THE BILL WILL REDUCE, INCREASE AND RE-APPROPRIATE THESE AMOUNTS FOR THE PURPOSES IDENTIFIED IN THIS BILL WITH THE NET IMPACT ON EXPENDITURE OF K1,198,800.00. THIS NET IMPACT ON EXPENDITURE IS THE SAME AS THE ESTIMATED NET INCREASE IN REVENUES, MEANING THERE IS NO EXPECTED CHANGE IN THE SIZE OF THE GOVERNMENT'S BUDGET DEFICT.
4. THE SUPPLEMENTARY (APPROPRIATION) BILL 2022 MAKES AMENDMENT TO SECTION 4(3) OF THE APPROPRIATION (GENERAL PUBLIC SERVICES EXPENDITURE 2022) ACT 2021 ON THE TRANSFERS LIMIT.

THE *SUPPLEMENTARY (APPROPRIATION) BILL 2022* ADJUSTS AGENCIES' APPROPRIATIONS FOR THE 2022 FINANCIAL YEAR TAKING ACCOUNT OF THE CURRENT ECONOMIC CIRCUMSTANCES AND THE NET INCREASES IN REVENUE.

MR SPEAKER, I COMMEND THE BILL TO THE HOUSE.



OFFICE OF THE STATE SOLICITOR

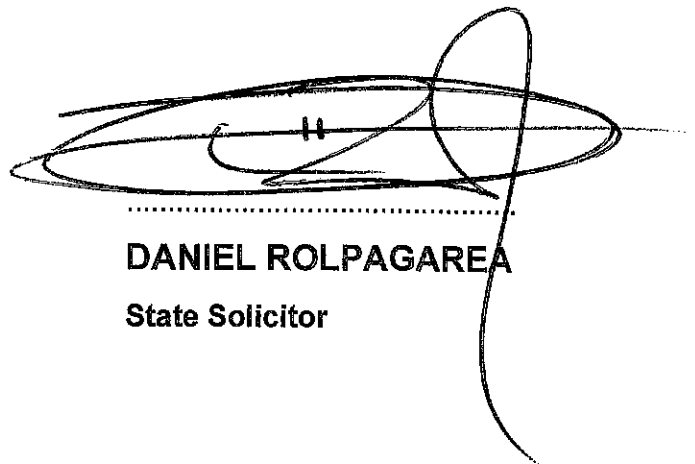
CERTIFICATE OF NECESSITY

I, **DANIEL ROLPAGAREA**, State Solicitor of the Independent State of Papua New Guinea;

having considered the proposed **Supplementary (Appropriation) Bill 2022** and having formed the opinion that the Bill is necessary for the intended purposes;

hereby grant this Certificate pursuant to Section 13B of the *Attorney General Act 1989*.

Dated this 31 day of August 2022.



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DANIEL ROLPAGAREA
State Solicitor