



**MID-YEAR ECONOMIC AND FISCAL OUTLOOK
REPORT**

2024

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FOREWORD

The 2024 Mid-Year Economic and Fiscal Outlook (MYEFO) report is the fifth report produced by Treasury since the global COVID-19 pandemic outbreak. These have been challenging times for PNG, as they have been for the world. The worst war in Europe since 1945 continues and Middle East uncertainties add to global challenges. Moreover, there are also unexpected external pressures, such as the continuing high international price of rice.

The 2024 MYEFO confirms the Marape-Rosso Government is keeping on the path set out in the 13-year Budget Repair Plan. Once again, establishing a balance between meeting the development and cost of living challenges facing the people of PNG, while reducing our budget deficits to lower debt pressures.

The 2024 MYEFO aligns with the same budget deficit as set out in the 2024 Budget. The deficit of K3,984 million is 3.2 per cent of GDP, a dramatic reduction compared to the 8.9 per cent of GDP in 2020 as the global COVID-19 pandemic shrank our revenues by 20 per cent. Relative to other countries, this is a rapid rate of budget repair of over one percent of GDP per annum. Indeed, this rate of budget repair places PNG in the top 10 per cent of all countries. This is good quality fiscal consolidation.

Revenues are expected to increase by 15.8 per cent relative to the 2023 Final Budget Outcome, although K463 million less than predicted at the 2024 Budget. Revenues are now forecast to total K22,931 million in 2024 – a record level of revenue collections. With tax cuts introduced as part of the 2024 Budget, a 15.8 per cent growth in revenues is only possible if there is also strong growth in the economy. More specifically, in terms of non-resource tax revenues, expected tax collections will be 9.7 per cent higher than in 2023, achieved without any tax increases.

Expenditures are expected to increase by 9.3 per cent relative to the 2023 Final Budget Outcome, although K463 million less than at the 2024 Budget. Expenditures are now forecast to total K26,915 million in 2024. The largest cost pressure identified in this MYEFO are extra salary requirements for teachers and health workers. Overall, an extra K600 million is required in this area to deliver better educational and health services to our people. In other areas, the wage bill is expected to be reduced for national departments. This is all part of the restructuring of the budget to deliver better services and capital investment.

Absorbing the increased costs of teachers and health workers, along with the drop in revenues, will require cuts in other areas of expenditure. These cuts will be spread evenly between the operating and capital budgets. All advice is that these variations can be comfortably implemented through cash and warrant controls. There is no need to go to Parliament as there is no overall increase in expenditure, and there remains ample flexibility in reallocations as granted by Parliament as part of the 2024 Appropriation Bills. Indeed, as indicated in this MYEFO, it is estimated that only 11.5 per cent of the possible transfer powers under Sections 6 to 10 of the Appropriation Act approved by Parliament have actually been utilised.

The overall deficit stays the same, as the forecast decline in revenues of K463 million is exactly matched by the K463 million fall in expenditures.

Overall revenues are forecast to grow by 15.8 per cent, whilst expenditures will grow by 9.3 per cent. Revenues growing much faster than expenditures - this is how to do sensible, balanced, budget repair. There is no need for massive slashing of expenditure for critical services to immediately reach a balanced budget. Rather, a surplus budget achieved through a multi-year approach will support the goal of achieving a budget surplus by 2027, and then repaying our debt.

The MYEFO forecasts an increase in the overall size of the economy to K123,276 million in 2024. This is K757.0 million higher than the 2024 Budget forecast of K122,519.1 million. Relative to 2023, the economy is forecast to grow by K11,925 million, a 10.7 per cent increase. The overall growth rate in real terms (so after taking out price changes) is forecast at 4.5 per cent in 2024. The PNG economy is growing strongly, indeed as strongly as China is forecast to grow in 2024. The average growth in the non-resource economy over the last four years, averaging over 4.5 per cent per annum, is the strongest sustained growth rate in our non-resource economy in our history.

For those that doubt Treasury's GDP forecasts, the actual outcomes in other areas such as the 9.7 per cent increase in non-resource tax collections support these estimates. The growth forecasts are supported in broad terms by our international partners. The record growth in areas such as NASFUND membership, a totally private sector source, also confirms PNG is experiencing strong growth. Beware the doomsayers who claim that there has been no growth in the economy!

Economically, there are three ways to measure the size of the economy – production, expenditures and incomes. They all come to the same number by definition. PNG focuses on measuring GDP on a production basis. This measure will be equal to increases in GDP expenditure (consumption, savings or imports) as well as equal to the increases in GDP incomes (wages, rent, profits, interest). Strong economic growth in production means that there is strong growth in incomes. This is good news for wage earners and those looking for work (whether in the informal or formal sectors) and businesses seeking profits.

For debt, with the growth in the economy and no variation in the deficit, the expected debt to GDP ratio is expected to reduce to 50.2 per cent of GDP, down from the 50.5 per cent forecast at budget time. PNG has passed the peak debt to GDP ratio. It is down from the 52.0% in the 2023 Final Budget Outcome. This debt ratio will keep dropping as set out in the 13-Year Budget Repair Plan, down to 43.9 per cent at the time of the 2027 Budget return to budget surplus, and down to 33.4 per cent by 2029. This is actually a faster drop than set out in the Alternative Government Plan of only going to debt to GDP of 35.0 per cent by 2029. They talk of fiscal consolidation and debt control, but they are planning to do it in the wrong ways, and yet still delivering less.

Measured inflation is staying much lower than forecast. The updated 2023 inflation estimate has been reduced to 2.3 per cent, down from the 3.5 per cent expected at the time of the 2024 Budget. The updated inflation estimate for 2024 has been reduced to 3.5 per cent, down from the 5.0 per cent rate expected at the time of the 2024 budget. This figure primarily reflects the National Statistics Office (NSO) negative inflation outcomes for both of the first two quarters of this year. The IMF actually estimates 2024 inflation will only be 1.3 per cent. There are still concerns with food costs that are rising above historic averages, and this is why the Marape-Rosso Government continues to support the historic Household Assistance Packages that now total over K1,617 million over the last three years. However, the overall cost of living pressures facing families is about much more than just tinned fish and rice. A true cost of living measure needs to take into account all household expenditure, and the NSO uses a wider measure that also considers the costs of transport, education, health, housing, alcohol and betelnut, and clothing.

The 2024 MYEFO is based on delivering on the 2024 Budget theme of "Securing our Future". This report confirms that this process is underway continuing, steady, and responsible budget repair. Revenues are growing faster than expenditures. Economic recovery is continuing. Price increases are below historic averages. On-going assistance to struggling families continues through the reforms of the Marape-Rosso Government, but there is still a long way to go.



HON. IAN LING-STUCKEY, CMG. MP
Minister for Treasury

INTRODUCTION

The purpose of the MYEFO Report, as prescribed in the *Fiscal Responsibility Act* (Section 11) is to provide updated fiscal information, especially for the current financial year. It discusses revisions to the fiscal parameters and implications for the budget strategy and medium-term fiscal strategy. It also provides an explanation of government revenue and expenditure trends and allows the Parliament and the public to assess developments against those set out in the 2024 Budget.

The MYEFO essentially covers the General Government fiscal and financial operations in sectors and is required to be based on the same reporting standards as the 2024 Budget. Generally, this follows the cash reporting standards laid down in the Government Finance Statistics (GFS) Manual 2014 published by the International Monetary Fund (IMF). This demonstrates a gradual shift from the 1986 GFS to the 2014 GFS and is part of the ongoing reform of budget processes and budget reporting.

PART 1: THE MID-YEAR ECONOMIC AND FISCAL OUTLOOK

1.1 OVERVIEW

The global economy is projected to grow by 3.2 per cent in 2024 and increase to 3.3 per cent in 2025. As per the latest World Economic Outlook (WEO) report published by the International Monetary Fund (IMF) in July 2024, economic activity in most countries increased during the first quarter of 2024. This was supported by robust private consumption and investment in key economies. The stable global growth outlook in 2024 is supported by steady growth in advanced economies though growth in the emerging market and developing economies (EMDEs) was revised upwards.

For advanced economies, real growth is expected to remain at 1.7 per cent in 2024, similar to growth experienced in 2023. This reflects the downward growth expectations in the United States and Japan which more than offset the improved economic activity in China, India and the Euro area. In 2025, real growth is expected to improve slightly to 1.8 per cent amid stronger growth in Europe and Japan.

For emerging market and developing economies (EMDEs), growth was revised upwards to 4.3 per cent for both 2024 and 2025. This is due to expectations of stronger economic activity in China and India. Both countries are expected to experience increased private consumption spending in 2024 and 2025.

Commodity prices have averaged above their respective 2024 Budget estimates and 2023 actuals but remain below 2022 levels. Prices have been revised up across all the major commodities from the 2024 Budget price assumptions except oil and LNG (no change) and Nickel (revised downwards). The most notable was cocoa prices which have reached record highs due to supply shortages amid crop diseases and unfavourable weather conditions in major producing countries in West Africa.

On the domestic front, PNG's 2024 non-resource economic growth has been revised down to 4.5 per cent in real terms, which is 0.2 percentage point lower from the 2024 Budget estimate of 4.7 per cent. The lower growth estimate is driven by the impact of the social unrest event (Black Wednesday) in January 2024, and persistent business impediments, including fuel shortages and forex issues. It also takes account of the tightening of monetary policy affecting businesses in the non-resource sector. Offsetting these factors are the flow-through effects of higher commodity prices. Resource sector growth has been revised down to 4.9 per cent, 2.2 percentage points lower than the 7.1 per cent projected in the 2024 Budget, driven by lower mining & quarrying sector growth. Combined, overall GDP growth is expected to be 4.6 per cent in real terms, which is 0.7 percentage point lower from the 2024 Budget estimate of 5.3 per cent.

In the non-resource sector, the prevailing high commodity prices (especially cocoa) are expected to translate to higher household income and spending on goods and services, thereby cushioning the adverse impacts of Black Wednesday.

Furthermore, the non-resource sector's performance is expected to be supported by the following:

- Strong growth in the agriculture, forestry and fishing (AFF) sector by 2.9 per cent in 2024, driven by higher coffee production and the prevailing higher cocoa prices; and

- Government's increased development budget likely to stimulate growth in the construction sector.

The mining and quarrying sector is projected to grow by 13.8 per cent, a downward revision of 6.5 percentage points from the 2024 Budget estimate of 20.3 per cent. This is attributed to a concerted reduction in production estimates from the Porgera mine. The initial assumption was that Porgera would produce up to 75.0 per cent of its post shutdown annual capacity in 2024. However, recent updates from the new Porgera mine indicate that production will be lower at around 53.0 per cent of full capacity in 2024 and ramping up to full annual production thereafter. In addition, production assumptions from the Lihir mine are also revised downwards compared to the 2024 Budget projection. However, the Ok Tedi mine, Ramu NiCo mine, and the smaller mines continue to maintain higher production.

Growth in the Oil and Gas sector was revised up slightly to 0.9 per cent from 0.8 per cent in the 2024 Budget, reflecting an upgrade in LNG production forecast in 2024.

Table 1: Key Economic Parameters underlying the 2024 MYEFO

	2024 Budget	2024 MYEFO
Real Economic Growth	5.3	4.6
Non-resource Real GDP (%)	4.7	4.5
Resource Real GDP (%)	7.1	4.9
Inflation		
Average on Average (%)	5.0	3.5
Interest Rate Facility		
Interest Rate Facility (KFR)	3.3	3.0
Agriculture Prices		
Coffee (US\$ per tonne)	4,090.0	4,453.5
Cocoa (US\$ per tonne)	3,354.0	5,895.6
Copra Oil (US\$ per tonne)	1,080.0	1,351.7
Palm Oil (US\$ per tonne)	825.0	834.8
Mineral Prices		
Gold (US\$ per ounce)	1,973.0	2,178.0
Copper (US\$ per tonne)	8,285.0	8,761.0
Oil (US\$ per barrel)	80.0	80.0
LNG (US\$ per thousand cubic feet)	14.6	13.0
Condensate (US\$ per barrel)	80.0	80.0
Nickel (US\$/tonne)	17,745.0	15,105.0
Cobalt (US\$/tonne)	24,632.0	20,260.0

Source: Department of Treasury

On the monetary front, the Kina exchange rate has depreciated by 3.1 per cent against the US Dollar (USD) from US\$0.2683 in the beginning of January to US\$0.2600 as at end June 2024. The Kina has also depreciated against the Australian Dollar (AUD) by 0.1 per cent from AU\$0.3927 to AU\$0.3925 during the same period.

According to the Bank of Papua New Guinea (BPNG), the depreciation of the Kina against the USD reflects the policy adjustment by the BPNG to address the foreign exchange shortage in the market to promote greater exchange rate flexibility. The depreciation of the Kina against the AUD reflects cross-currency movements as the AUD appreciates against a weaker USD.

In 2024, headline inflation is projected to average at 3.5 per cent, significantly below historic averages. The first two quarters of 2024 produced overall falls in consumer prices according to the National Statistics Office totaling 3.2 percentage point. The June quarter 2024 to June quarter 2023 annual inflation rate has hit a low of 0.1 per cent. Even with higher inflation rates in the third and fourth quarter of 2024 than historic averages, inflation is forecast to stay low on an annual basis. The rate of increase in food prices is falling but is still high in comparison to historic averages. However, the reduction in school project fees has reduced the measured level by over one percentage point, and the large increase in many international prices due the Ukraine Russian war are now declining, such as cooking oils which have decreased by 13.5 per cent over the last year. However, international rice prices spiked during early 2024 due to decisions by other countries to stop rice exports. Depreciation of the Kina will at least in part offset these international price falls. International inflationary pressures are also partially offset by the contractionary fiscal policy of reducing budget deficits by a billion Kina a year. This deflationary fiscal policy is also reducing net calls on foreign exchange.

Fiscal Update

Table 2: MYEFO Outturn and Projected Outcomes for 2024 (Kina, million)

Details	2023 Actuals	2024 Budget	June Outturn	2024 MYEFO	Var
Total Revenue & Grants	19,810.0	23,393.8	8,981.5	22,930.8	-463.0
Total Expenditure & Net Lending	24,614.4	27,377.5	10,904.1	26,914.5	-463.0
Net Lending (+)/Net Borrowing (-)	- 4,804.4	- 3,983.7	-1,922.6	-3,983.7	0.0
% of GDP	-4.3%	-3.3%	-1.6%	-3.2%	0.1%
Cash Balance	540.6	0.0	1,145.8	0.0	
Adjusted Net Lending (+) / Net Borrowing (-)	4,263.8	3,983.8	776.7	-	-
Total Public Debt Stock	57,943.7	61,927.6	58,720.5	61,927.6	-
Debt as % of GDP	52.0%	50.5%	47.6%	50.2%	0.3%
Nominal GDP (K'm)	111,350.8	122,519.1	123,419.1	123,419.1	900.0

Source: Department of Treasury

In the first half of the year, the Government spent K10,904.1 million or 39.8 per cent of the total Budget estimate. The expenditure was financed by total revenue of K8,981.5 million or 38.4 per cent of the 2024 Budget estimate, resulting in a deficit financing of K1,922.6 million. The June outturn deficit was financed by a Net Borrowing of K776.7 million and the use of balances in the Waigani Public Accounts (WPA) and the Temporary Advance Facility (TAF), totalling K1,145.8 million. The Government's stock of debt at mid-year now stands at 47.6 per cent of GDP.

The 2024 MYEFO is projecting the fiscal deficit to remain at K3,983.8 million (or 3.2 per cent of the GDP) given commitments to fiscal constraint under the 13-Year Budget Repair Plan. This will require a reallocation of cuts in spending to cover expected cost over-runs (primarily teachers and health worker wages) and a shortfall in non-tax revenues.

The Government's debt stock as a per cent of GDP is expected to fall slightly from 50.5 per cent in the 2024 Budget to 50.2 per cent by year's end due to the forecast increase in GDP. This is within the *Fiscal Responsibility Act (FRA)* prescribed limit of 57.5 per cent (as amended 2024).

Revenues and Expenditures in 2024

At the mid-year juncture, tax revenue collections were K7,986.2 million, 42.7 per cent of the 2024 Budget estimate, while other revenue collection trended at K417.0 million or 16.0 per cent of Budget estimate.

Total Revenue and Grants estimate for 2024 has been revised down by K463.0 million (2.0 per cent) from K23,393.8 million in the 2024 Budget to K22,930.8 million. This is mainly due to a downward revision of K476.0 million in Other Revenue, more than offsetting a net increase of K13.0 million in Tax Revenue.

The downward revision of K476.0 million in Other Revenue mainly reflects expected shortfalls in the collections expected from implementation of the *Non - Tax Revenue Administration (NTRA) Act* and Land Lease Rentals by K450.0 million and K23.0 million respectively compared to the 2024 Budget estimate.

Tax Revenue for 2024 has been revised upwards slightly to K18,707.7 million, which is, K13.0 million (0.1 per cent) higher than the 2024 Budget estimate and K1,082.3 million (6.1 per cent) higher than the 2023 Outcome. On the other hand, other revenue collections from dividend, NTRA and fees & charges, have been revised down to K2,018.0 million by K476.0 million from the Budget estimate.

In the first half of the year, Total Expenditure and Net Lending amounted to K10,904.1 million, which represents 39.8 per cent of the 2024 Budget expenditure envelope. This outcome is lower by K2,782.0 million or 20.3 per cent compared to the pro-rata expenditure target of K13,688.8 million for the first six months of the year. The lower expenditure outcome mainly reflects lower than expected spending from grants from the development partners and slower than expected drawdowns of concessional loans to support loan-funded projects. This also includes delayed submission of monthly cashflows, workplans, and procurement plans by most implementing agencies¹.

The operational budget recorded an expenditure outcome of K6,752.0 million or 40.5 per cent of the 2024 Budget appropriation. The capital investment budget (including donor support grants and concessional loans) recorded an expenditure outcome of K4,152.2 million or 38.8 per cent of the 2024 Budget appropriation.

Total interest payments (including fees and charges) for the first half of the year was K1,405.9 million, which represents about 46.1 per cent of the 2024 Budget estimate.

Financing

For the 2024 Budget, the total net borrowing requirement was K3,983.8 million. The Government planned to finance this deficit in external borrowing (K1,663.4 million) and in domestic borrowing (K2,320.4 million).

During the first half of 2024, the total net financing was K776.7 million, comprising K311.1 million from external debt net repayment and K1,087.8 million from net domestic borrowing. Compared to 2023 June Outturn deficit, the 2024 June Outturn deficit is lower at K1,922.6 million. This reflects slower disbursements of existing project loans. Furthermore, no new external borrowing was executed in the first half of the year except repayments of external debt.

¹ Almost 65.0% of the agencies have not fully complied with these requirements at the time of this report

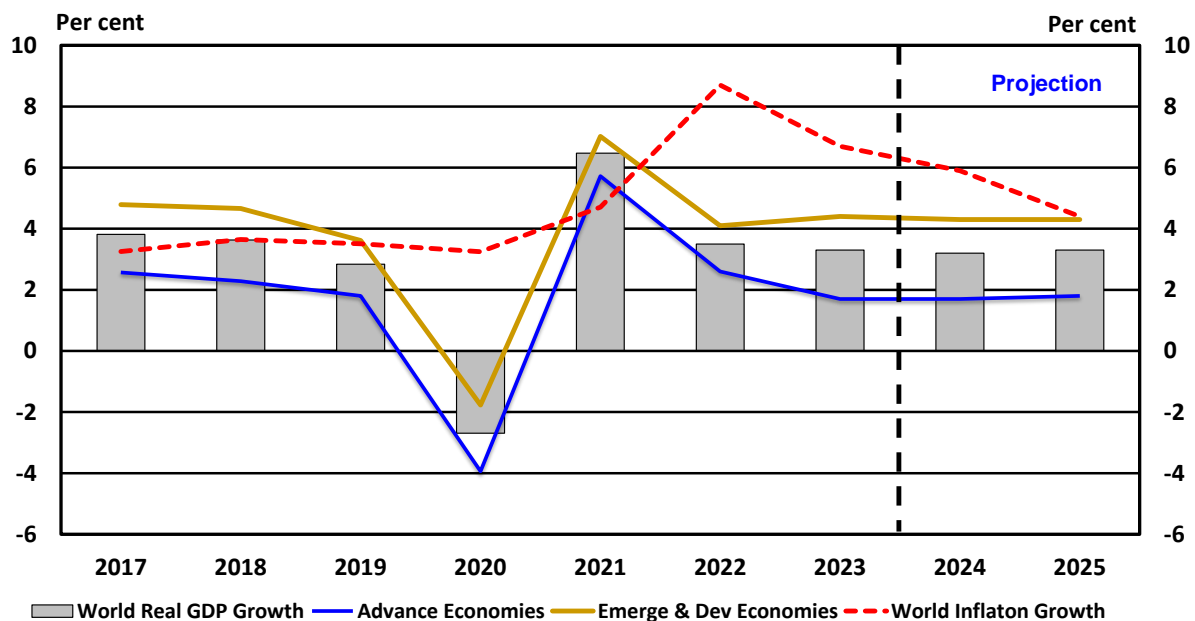
1.2 ECONOMIC OUTLOOK

International Economic Outlook

Global growth is projected to remain steady at 3.2 per cent in 2024 and slightly increase to 3.3 per cent in 2025. According to the latest World Economic Outlook (WEO) publication of the International Monetary Fund (IMF) in July 2024, economic activities in most countries improved during the first quarter of 2024, supported by robust private consumption spending and investment in key economies. Cyclical factors such as inflation and unemployment have somewhat slowed as growth differences across economies becomes better aligned with their potential outputs and growth targets. However, inflationary pressure persists, especially in the services sector as increased service price is holding up progress on disinflation. This remains a risk to growth outlooks as it will further complicate monetary policy actions across economies, resulting in higher interest rates for extended period of time than anticipated.

In advanced economies, real growth is expected to remain at 1.7 per cent, similar to growth in 2023. This reflects the downward revision of growth in the United States and Japan more than offsetting the improved economic activity in the Euro area. Growth in real terms is expected to improve slightly in 2025 to 1.8 per cent amid stronger growth in Europe and Japan. Global growth expectations (see Chart 1) rely on increased private consumption and investment in response to wage adjustments following the high inflationary trends of the past few years.

Chart 1: Global Economic Growth (2017-2024)



Source: IMF 2024 July World Economic Outlook (WEO) update

For emerging market and developing economies (EMDEs), growth was revised upward to 4.3 per cent for both 2024 and 2025. This is due to expectations of stronger economic activity in China and India. Both countries are expected to experience increased private consumption in 2024 and 2025.

Global Inflation Outlook

The global inflation rate is projected to fall from 5.9 per cent in 2024 to 4.4 per cent in 2025 (IMF WEO, July 2024). Signs of easing inflation in advanced economies are contributing to

the downward revision. Inflation is expected to persist in EMDEs. The 2024 global inflation forecast reflects a slower pace of growth in inflation in advanced economies. High commodity prices play a role in contributing to the current inflationary trend. However, the gradual slowdown in employment together with an expected decline in energy prices should exert downward pressure on headline inflation by the end of 2025.

Risks to the Outlook

Global economic growth is on track to stabilise, however, major risks persist. Geopolitical tensions have heightened with the conflict in the Middle-East, an escalation of which could push energy markets into uncharted territory given the region accounts for nearly 30 per cent of global oil production. This could increase global inflation and reduce global economic growth.

Global inflationary risks have re-emerged as a result of slower progress on service disinflation together with expectations of price pressures evolving from renewed trade and geopolitical tensions. This has increased the possibility of policy makers and central banks maintaining higher interest rates for a longer time which could in turn increase external, fiscal, and financial risks for economies. The combination of weak growth, high real interest rates, and elevated debt levels could make servicing debt more difficult in vulnerable developing economies and push more of them into financial stress.

China's weaker economic performance has impacted the global economy. Chinese growth this year, predicted to be 4.5 per cent, would be the slowest since 1990, outside of the COVID-19 era. That will likely hurt the large number of advanced and developing economies that depend on trade with China.

Commodity Prices and Market Developments

Prices of PNG's main export commodities reached record highs in 2022 due to global supply-chain disruptions caused by the Russian-Ukraine war and the lasting impact of the COVID-19 pandemic. In 2023, commodity prices retreated from their highs in 2022 as demand subdued amid the increase in global inflation and its impact on consumption and investments across the world.

During the first six months of 2024, prices for key commodities have increased, especially crude oil and gold. This was due to heightened tensions in the Middle East and increased global economic uncertainty. In addition, copper prices reached a new high in the first half of 2024 amid supply concerns and expectations of stronger industrial demand. The prices of food and beverages also increased during the same period due to the impact of El Nino and crop related diseases for cocoa and coffee.

According to the latest IMF primary commodity price index, overall commodity prices have increased by 8.6 per cent between June 2023 and June 2024 (see Chart 2).

Crude Oil

Prices for crude oil averaged US\$79.0 per barrel during the first half of 2024, which is 2.0 per cent below the 2024 Budget estimate of US\$80.0 per barrel and 5.0 per cent above the average price in 2023. The Russia-Ukraine war and the conflict in the Middle East drove

up prices. However, those gains were short-lived in the first half of the year as expectations of a subdued global demand and increased supply weighed down prices.

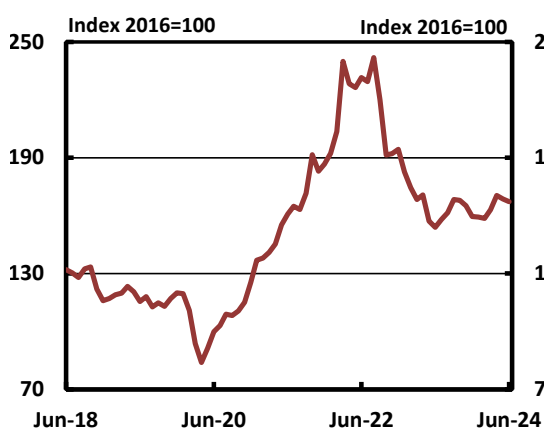
Risks to the price outlook remain balanced for the remainder of 2024 in terms of supply and demand. On the upside, the ongoing conflict in the Middle-East could push up oil prices as further escalation of the conflicts could disrupt supply and increase demand (see Chart 3).

In addition, expectations of interest rate cuts through monetary easing by the US Federal Reserve remain an upside for oil prices. A rate cut is expected in the run-up to the US presidential election in November 2024. This will increase borrowing, investments, and consumption, and boost demand and increase commodity prices.

On the downside, expectations of strong supply from the OPEC+² and non-OPEC countries are expected to keep prices from increasing beyond US\$80.0 per barrel in 2024. This could put downward pressure on prices as major oil producers are expected to compete for market share by increasing output to achieve market price stability in 2024.

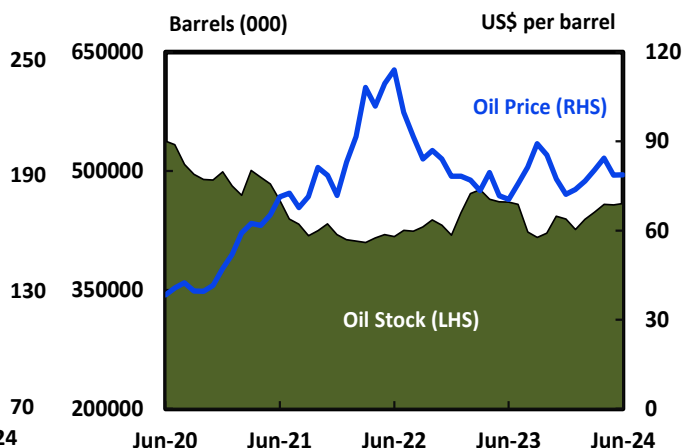
Given these developments, the 2024 MYEFO price assumption for oil prices is expected to average at **US\$80.1 per barrel**.

Chart 2: IMF Commodity Index



Source: IMF and Energy Information Administration

Chart 3: Oil Price and Supply Stock



Source: World Bank Pink Sheet

Liquefied Natural Gas (LNG)

Buyers of PNG liquefied natural gas (LNG) are predominantly located in East Asia. Almost 70.0 per cent of the LNG traded in East Asia is sold on long-term contracts.

The LNG year-to-date price has decreased during the first five months against the 2024 budget estimate and the corresponding period by 12.0 per cent and 19.3 per cent, respectively. Global LNG prices in both the European and Asian markets have decreased during the period amid lower industrial demand and oversupply in Europe.

In the months ahead, risks to the LNG price remain fairly balanced as both demand and supply factors are expected to influence price equally.

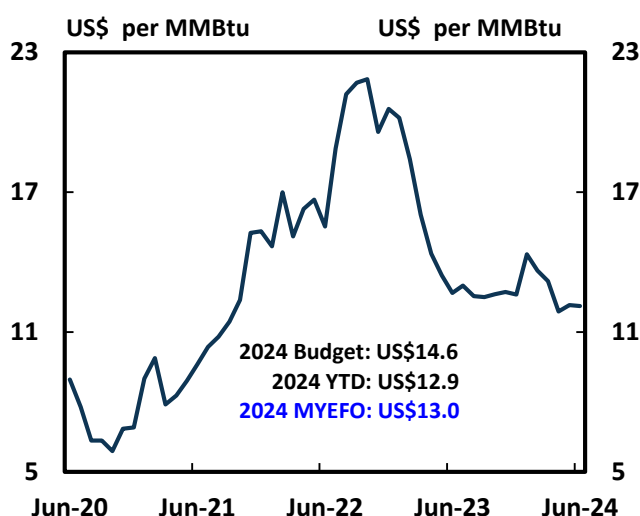
² Organisation of Petroleum Exporting Countries including Russia.

Demand in the East Asian market is expected to drive prices up in the second half of 2024 as lower prices during the first half of the year and the expected warm weather forecast in coming months is likely to influence panic buying. This is expected to continue and strengthen prices as Asia begins to experience warmer weather in the second half of 2024.

On the downside, weaker LNG demand from Asian countries like Japan and South Korea are expected to lower prices as these countries have begun to substitute LNG with nuclear power. Expectations of increased supply from other major LNG producers like the United States could also exert downward pressure on LNG prices.

Considering these developments, the LNG price estimate for 2024 has been revised down against its Budget estimate of US\$14.6 per MMBtu to average **US\$13.0 per MMBtu** (see Chart 4).

Chart 4: Liquefied Natural Gas (LNG) Price



Source: World Bank Pink Sheet

Copper

The copper price averaged US\$9,078.3 per tonne as at end June 2024. That was 9.6 per cent above the 2024 Budget estimate of US\$8,285.0 per tonne and 4.3 per cent above the average price in 2023 (see Chart 5).

Copper prices have been increasing since December 2023. This was largely driven by expectations of a supply shortage and increased demand from strong global industrial production. Reports of operational disruptions and aging mines in major copper producing countries like Chile and Peru led traders to stockpile inventory.

A slight downside is the subdued global growth and China's weaker demand amid its prolonged property sector crisis. This has kept prices from rising further during the period. However, copper prices have reached a two-year high during the first half of 2024 and are expected to maintain an upward trend towards year-end.

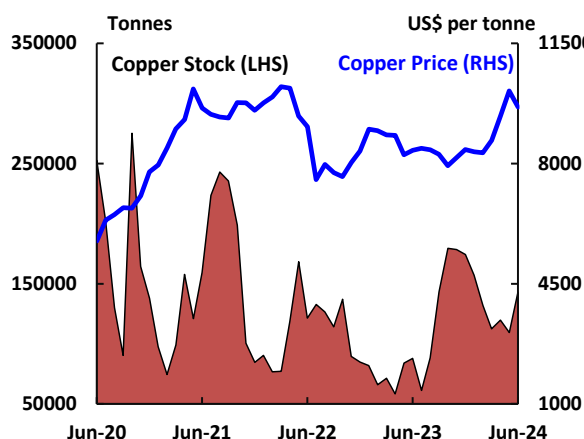
The monetary easing in the US through its interest rate cut is expected to increase demand and prices because a reduction in interest rate usually encourages borrowing, which further

increases investments and consumption. The rate cut could also depreciate the US dollar against other trading partners making it cheaper for other buyers to trade on copper.

Overall, a supply shortfall is expected to drive copper prices upwards this year but uncertainties on China's demand and the unlikely risk of the Federal Reserve increasing interest rates amid the persistent inflationary pressures remain a downside for price gains.

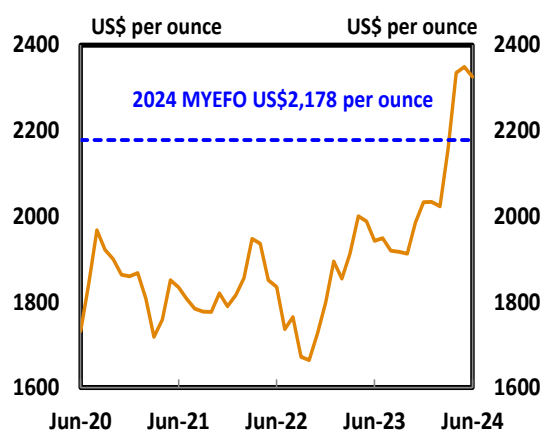
Therefore, copper prices at this time are expected to average **US\$8,761.5 per tonne** to accommodate all these market developments and expectations.

Chart 5: Copper Price



Source: IMF and London Metal Exchange

Chart 6: Gold Price



Source: IMF and London Metal Exchange

Gold

Gold prices have increased during the first six months of 2024 by 12.0 per cent and 14.0 per cent against the 2024 Budget estimate and the corresponding period for 2023, respectively (see Chart 6). This was mainly driven by safe haven demand primarily by central banks due to fears of a global economic recession and the heightened tensions from the Russia-Ukraine war and conflict in the Middle East. The expectation of monetary policy easing across central banks, especially the interest rate cut by the U.S Federal Reserve, have also kept prices high during the first six months of 2024.

The likelihood of an interest rate cut in September 2024 remains an upside to gold prices. Investors remain optimistic on either keeping their dollars or switching to gold to preserve asset values. This is expected to increase gold demand and prices further. Furthermore, increased demand from China amid expectation of economic growth uncertainty is also visible and may force upward pressure on gold prices.

Overall, gold prices are expected to continue to trend upwards in 2024, with the prospect of reaching new highs in the second half of 2024 as central banks unwind monetary policy and geopolitical tensions escalate.

Therefore, the gold price assumption for the 2024 MYEFO is expected to average **US\$2,178.0 per ounce** in 2024.

Mineral and Petroleum Price Assumptions

The 2024 MYEFO assumptions for PNG's key mineral and petroleum exports have been revised³. Copper price assumptions for the 2024 Budget of US\$8,285.0 per tonne (see Chart 5) were revised up to US\$8,761.5 per tonne. The LNG price assumption for the 2024 Budget estimate of US\$14.6 per MMBtu (see Chart 4) has been revised down to US\$13.0 per MMBtu. The oil price assumption for the Budget of US\$80.0 per barrel has been maintained (see Chart 3). The gold price has been revised up to US\$2,178.0 per ounce from the Budget assumption of US\$1,973.0 per ounce (see Chart 6).

Agriculture Commodities

Coffee

During the first six months of 2024, coffee prices averaged 8.0 per cent above the 2024 Budget estimate of US\$4,090.0 per tonne and 33.4 per cent below the average price for the corresponding period in 2023 (see Chart 7).

The rise in coffee prices earlier this year reflected supply shortages as unfavourable weather conditions affected crop harvests in major producing countries. Continuously high temperatures and drought in the Southeast Asian region is expected to affect coffee harvest in major coffee producing countries in the region, especially Vietnam. In addition, the 2023/2024 harvest season in Brazil is nearing its end, which poses an upside risk to prices as global supply is expected to remain contained in the months ahead.

Considering these developments, the 2024 MYEFO coffee price assumption is expected to average around **US\$4,452.0 per tonne** in 2024.

Cocoa

Cocoa prices have surged to historical highs since late 2023 to average 118.0 per cent above its 2024 Budget estimate of US\$3,354.0 per tonne and 163.0 per cent above the 2023 levels for the corresponding period (see chart 8).

Cocoa prices recorded a 46-year high in the first half of 2024 due to severe global supply shortages. This was due to extreme weather conditions and crop related diseases in Ivory Coast and Ghana. The two West African nations supply over 70.0 per cent of global cocoa output. In addition, dry weather brought on by the El Nino weather phenomenon together with unseasonal heavy rains in 2023 have impacted cocoa supply globally.

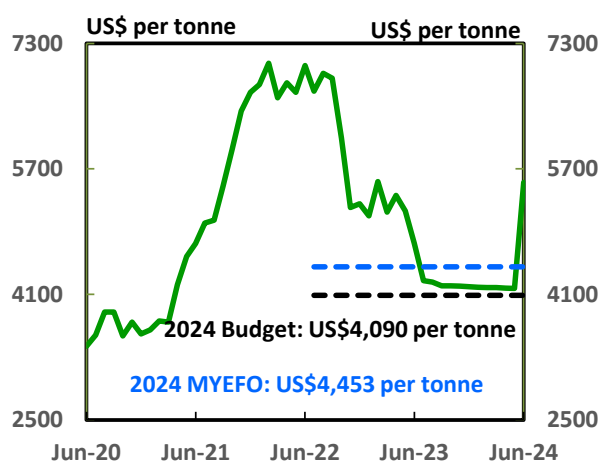
In PNG, overall cocoa production has been affected due to a prolonged dry season in the main cocoa growing regions such as Morobe, East Sepik, Autonomous Region of Bougainville and East New Britain provinces.

Cocoa prices in 2024 are expected to maintain an upward trend on the expectation of a prolonged global supply shortfall in the months ahead. In addition, increased demand from major cocoa grinders in the US, Asia and Europe are expected to support prices further in 2024 and 2025, as demand from consumers and manufacturers are expected to exceed the tight market supply.

³The price forecast methodology applied is the weighted average of the actual year-to-date average price from Jan 02 to Jun 28, and an assumption for the remainder of the year.

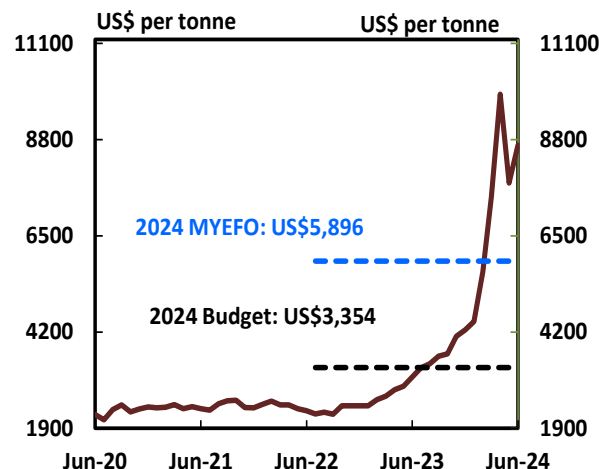
Given these developments, cocoa price is expected to average around **US\$5,896.0 per tonne** in 2024.

Chart 7: Coffee Price



Source: International Coffee Organisation

Chart 8: Cocoa Price



Source: International Cocoa Organisation

Palm Oil

The average year-to-date price for palm oil was 2.0 per cent above the 2024 Budget estimate of US\$825.0 per tonne and 1.0 per cent below the price for the same period last year. Palm oil prices averaged US\$840.0 per tonne as at end June 2024 (see Chart 9).

Palm oil prices have slightly increased due to a rise in demand and lower global supply. Global palm oil production has been affected since late 2023 and early 2024 due to El Nino as severely hot and dry seasons affect harvests.

Prices have also shown signs of weakness amid the end of the El Nino season with anticipated improved production in the months ahead. The anticipation of the La Nina weather event poses a downside risk to prices as palm oil production is expected to improve under this weather condition.

Palm oil is also expected to face increased competition from other competing products like rapeseed/canola and soybean oil in major markets like China. This could hurt palm oil demand and reduce price in the second half of 2024, however, prices are expected to trend slightly above the 2023 outcome and the 2024 budget estimate.

Considering these developments, palm oil prices are expected to average around **US\$835 per tonne** in 2024.

Coconut Oil

The average coconut oil price as at end June 2024 was 21.0 per cent above the Budget estimate of US\$1,080.0 per tonne and 22.2 per cent above the 2023 prices for the same period (see Chart 10).

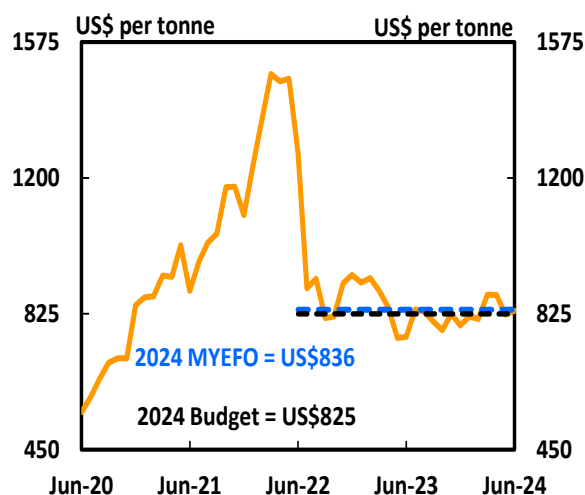
Coconut oil prices during the first half of 2024 were driven by increased demand and tight market supply. The increase in the price of coconut oil was driven by rising input costs such as higher freight costs through trade rerouting, supply disruptions and shipping delays.

Furthermore, sectors like food processing, cosmetics, and biofuels from major importing countries have increased demand. Supply has also been tight to date, mainly due to unfavourable weather, especially the El Nino weather season. This has affected crop production as the extreme dry weather is known for destroying the copra harvest.

These conditions are likely to remain in the coming months of 2024 and 2025. In addition, the European Union’s strict import policy on coconut exports could serve as a deterrent for local producers. This could further decrease global supply and increase prices.

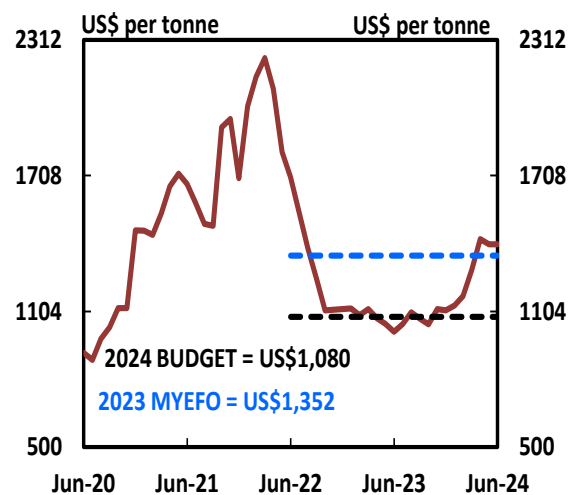
Considering these developments, coconut oil price is expected to average around **US\$1,352.0 per tonne** in 2024.

Chart 9: Palm Oil Price



Source: Malaysia Palm Oil Council

Chart 10: Copra Oil Price



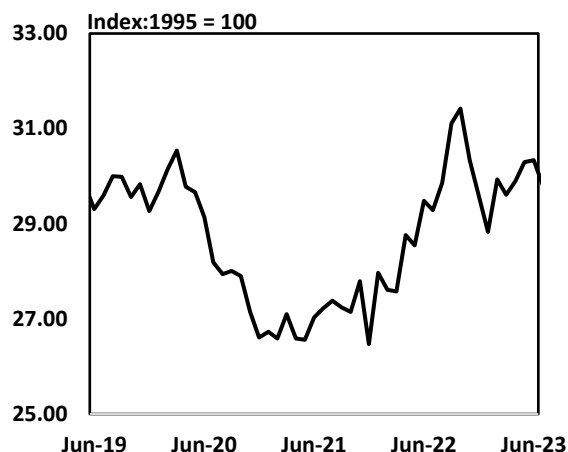
Source: Index Mundi

Exchange Rate Developments

The Kina exchange rate has depreciated against its major trading partner currencies, especially the United States Dollar (USD) and the Australian Dollar (AUD) during the first six months of 2024. Between January and end June 2024, the Kina depreciated by 3.1 per cent against the USD from US\$0.2683 to US\$0.2600. The Kina also depreciated against the AUD by 0.1 per cent from AU\$0.3927 to AU\$0.3925 during the period (see Chart 12).

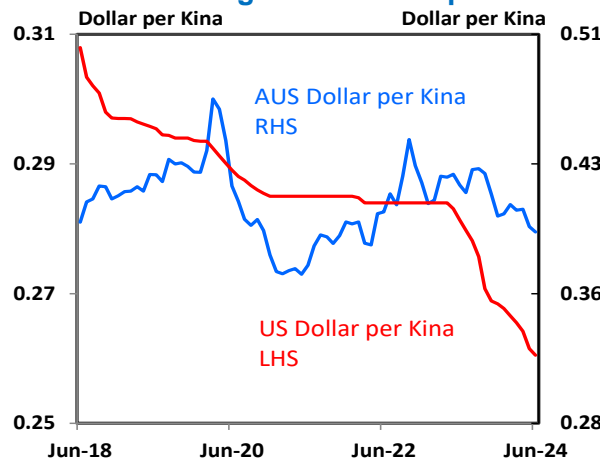
According to the Bank of PNG (BPNG), the depreciation of the Kina against the USD reflects the policy adjustment by the BPNG to address the foreign exchange shortage in the market to promote greater exchange rate flexibility and restore Kina convertibility in the exchange rate market. The depreciation of the Kina against the AUD reflects the effect of cross-currency movements as the AUD broadly continues to appreciate against the USD.

Chart 11: Trade Weighted Index



Source: Bank of PNG

Chart 12: Exchange Rate Developments



Source: Bank of PNG

The Kina is expected to depreciate further against the USD in 2024 amid the continuation of the above exchange rate arrangement while movements against other trading partner currencies are expected to reflect cross-currency effects.

The depreciation of the Kina is expected to address the issue of foreign exchange shortage through increased exports and foreign investments as the Kina becomes cheaper in the foreign exchange market. However, the depreciation is also expected to increase imported inflation on domestic economy and the subsequent tightening of monetary policy via increased interest rates likely to dampen overall short-term economic growth prospects.

Domestic Economic Outlook

2023 Economic Update

The PNG economy is estimated to have grown in real terms by 2.9 per cent in 2023, up from the 2024 Budget estimate of 2.7 per cent (see table 3). The higher-than-anticipated growth is mainly attributed to operational upgrades in the resource sector, particularly the oil and gas sector⁴, which are expected to offset weaker performances in the mining and quarrying sector and the non-resource sectors.

The non-resource sector is estimated to have grown by 4.2 per cent, slightly lower than the 2024 Budget estimate of 4.5 per cent (see table 1). The lower growth reflects a slowdown of activities in the wholesale & retail, administrative & support services, public administration & defence, and agriculture, forestry and fishing (AFF) sectors.

The wholesale and retail sector⁵ is estimated to have grown by 2.0 per cent in 2023, down from 4.0 per cent, as estimated in the 2024 Budget. This is due to a decline in consumption reflecting the lower goods and services tax (GST) collections in the sector. GST from the wholesale and retail sector declined by 2.1 per cent in 2023 after growing strongly by 12.2 per cent in 2022 (supported by election related spending).

⁴ The oil & gas sector accounts for 18 per cent of the total GDP and is the single largest contributor.

⁵ The wholesale & retail sector accounts for 13.1 per cent of the non-resource GDP.

The administrative and support services sector is estimated to have grown by 2.0 per cent, down from the 3.0 per cent estimated in the 2024 Budget. The downgrade is due to a slowdown in economic activities. This was reflected by a decline in GST collection for the sector. The public administration and support services sector, has recorded a huge decline of 92.5 per cent in GST collections in 2023. As a result, growth for this sector has been revised down by 1.0 percentage point from the 2024 Budget estimate of 7.0 per cent to 6.0 per cent. The downward revision reflects lower government spending in this sector following the conclusion of the 2022 National Election related spending.

Growth in the agriculture, forestry and fishing (AFF) sector is estimated to have slowed to 1.9 per cent from 2.2 per cent estimated in the 2024 Budget. The slowdown is attributed to lower production volumes of cocoa (down 12.8 per cent), palm oil (down 4.8 per cent) and log exports (down 1.7 per cent) compared to the 2024 Budget projections. Some of the events underpinning lower production include:

- The prolonged dry season in the main cocoa-growing provinces of Morobe, East Sepik, Autonomous Region of Bougainville (AROB), and East New Britain. In addition, some farmers have shifted to other cash crops following the outbreak of cocoa pod borer infestation and favourable prices offered by alternate crops;
- The drop in palm oil production was largely from NBPOL's West New Britain operation and was primarily due to changes in weather patterns with higher rainfall recorded in the last quarter of 2023 and lower than expected oil extraction rate; and
- The drop in round log exports was due to lower global demand from major log importing countries, especially China.

Despite the low production from cocoa, palm oil and round logs, coffee production increased by 6.7 per cent while copra and copra oil production remained steady. These developments, coupled with higher fishery production, supported the growth in the AFF sector and the non-resource sector. Other sectors supporting growth in the non-resource sector include financial & insurance (up 3.0 per cent) and information & communication (up 8.0 per cent).

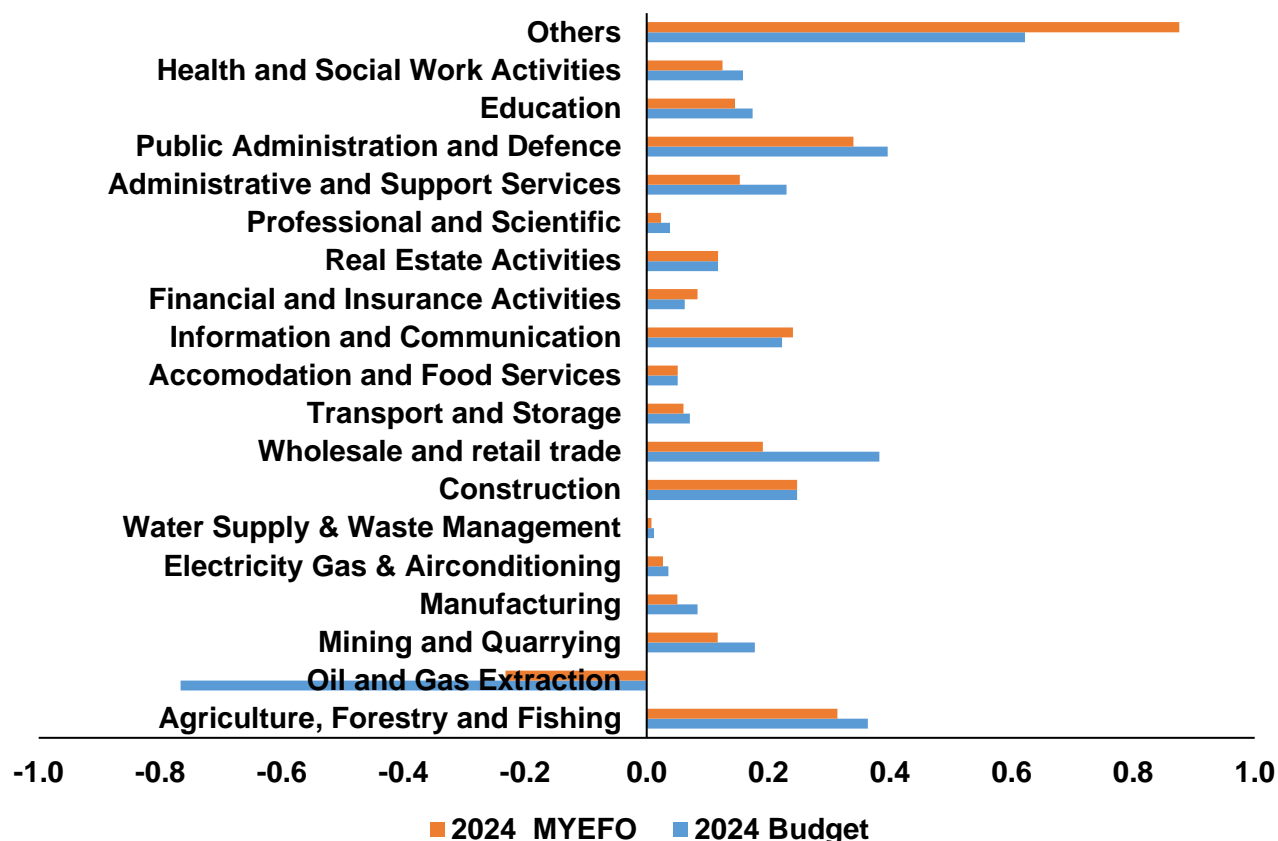
The growth in the oil and gas sector has been revised up by 2.9 percentage points from an estimated contraction of -4.2 per cent in the 2024 Budget to -1.3 per cent. This was attributed to a 7.5 per cent increase in LNG production due to production optimization efforts carried out across the Hides Gas Conditioning Plant and PNG LNG Plant.

The mining and quarrying sector growth estimate is reduced from 2.2 per cent to 1.4 per cent. The downward revision is attributed to lower-than-estimated gold production from the Lihir mine and other smaller gold mines. Actual production volumes from the Lihir mine in the first half of year was affected by extreme weather conditions which is expected to improve in the second half of the year.

The resource sector has been revised up by 1.8 percentage points compared to a contraction of 2.2 per cent as estimated in the 2024 Budget.

Overall, growth in 2023 has moderated to 2.9 per cent after strong growth of 5.2 per cent in 2022. Low commodity prices, cessation of the economic impact of the 2022 election related spending, and delays in the resumption of major resource projects (especially Porgera mine) contributed to moderate economic growth in 2023 (see Chart 14 for sector-specific details).

Chart 13: 2023 Real GDP growth, Contribution to Growth by Sectors



Source: Department of Treasury.

Note: MYEFO abbreviation for Mid-Year Economic and Fiscal Outlook report

2024 Economic Outlook

In 2024, the PNG economy is projected to grow at 4.6 per cent, due to the resumption of the Porgera mine and its spillover effects on other sectors of the economy. While this growth is strong, it is revised down by 0.7 percentage points compared to the 2024 Budget estimate of 5.3 per cent (see table 3). In part this reflects a small impact from January 10th social unrest, and power disruptions.

The non-resource sector growth has been revised down to 4.5 per cent compared to 4.7 per cent estimated in the 2024 Budget (see table 3). The downward revision is mainly driven by the impact of the social unrest that occurred in January 2024, and the fuel shortages issues affecting growth in the BLS⁶ sectors of the economy which include the wholesale and retail, transport and accommodation, and electricity gas and air conditioning sectors..

The non-resource sector’s performance will be supported by the following:

- Increased government spending. This will support growth in the administrative and support services (5.0 per cent) and public administration and defence (7.0 per cent) sectors compared to 2024 Budget projection.

⁶ Business Liaison Sector (BLS) refers to all businesses in the non-resource sector excluding Agriculture, Forestry & Fishery (AFF), and the Government.

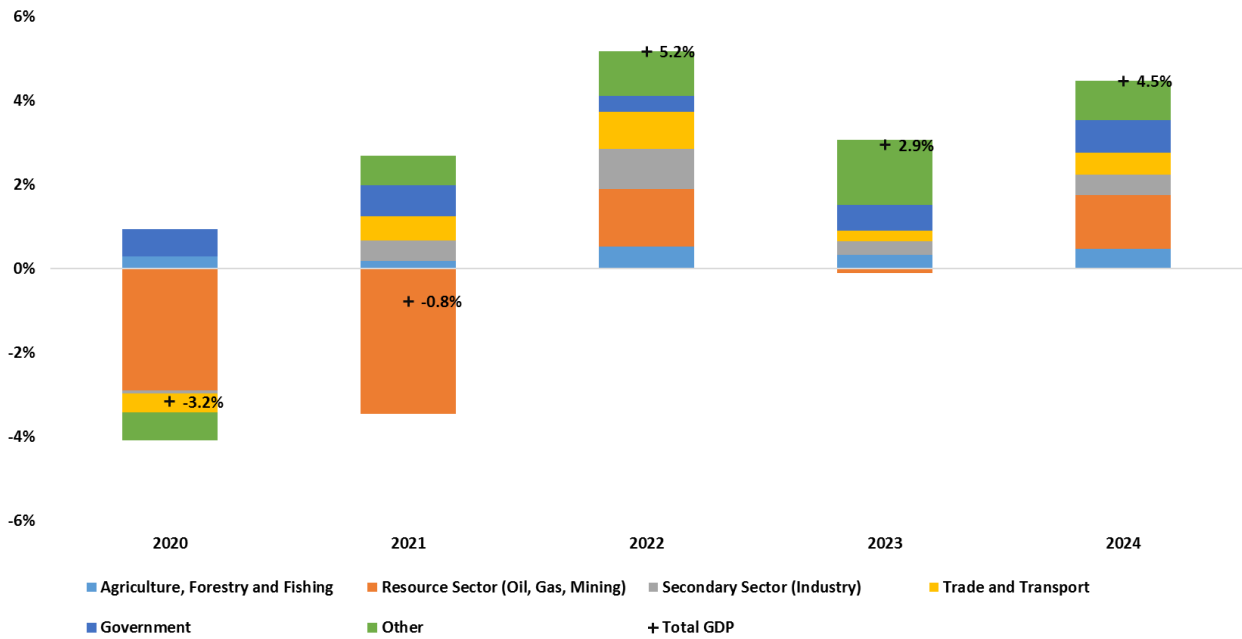
- The agriculture, forestry and fishing sector is projected to grow by 2.9 per cent in 2024. This growth will be driven by higher-than-estimated coffee and copra oil production and the prevailing higher cocoa prices. Meanwhile, palm oil and copra production are expected to decline by 9.1 per cent and 34.5 per cent, respectively, compared to 2024 Budget projections.
- The prevailing high commodity prices, especially cocoa prices (Cocoa prices have almost doubled in 2024, with farmers earning around K1,000 per bag compared to K500 per bag in 2023), are expected to translate to higher household income for the farmers and spending on goods and services. This is expected to support growth in the non-resource sector, particularly the wholesale and retail sector, which is projected to grow by 5.7 per cent in 2024.

The resource sector is expected to grow by 4.9 per cent, 2.2 percentage points lower than the 7.1 per cent growth projected in the 2024 Budget. The downgrade is driven by lower mining & quarrying sector growth despite moderate improvement in the oil and gas sector.

The mining and quarrying sector growth was revised down to 13.8 per cent from 20.3 per cent projected in the 2024 Budget. The downward revision reflects a reduction in Porgera production forecasts that were estimated for the 2024 Budget. The initial assumption was that Porgera would reach 75.0 per cent of its annual post shutdown annual production capacity in 2024. However, recent updates from the new Porgera mine indicate that production will be lower at around 53.0 per cent in 2024 and ramping up to full production thereafter. In addition, production assumptions from the Lihir mine were also revised downwards compared to the 2024 Budget projection. In the meantime, Ok Tedi, Ramu Nico, and smaller mines continue to maintain higher production capacity.

The oil & gas sector is projected to grow by 0.9 per cent, 0.1 percentage point higher than estimated in the 2024 Budget. The slight improvement is due to an upgrade in the LNG production forecast following higher production in 2023.

Chart 14: Drivers of Total Real GDP Growth, 2020-2024

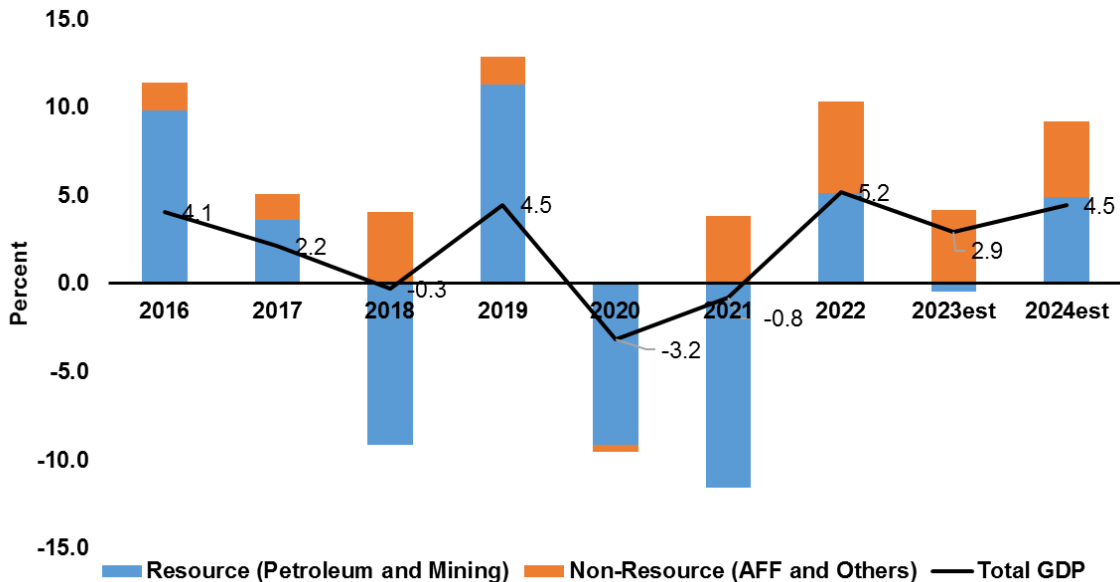


Source: NSO and Department of Treasury. The 2020-2022 are actuals from NSO. The 2023 and 2024 estimates are from Treasury.

Note: Secondary sector includes manufacturing, electricity gas & air conditioning, water supply & waste management and construction. Government sector include public administration & defence, education and health social activities. Trade and transport (wholesale & retail trade, transport).

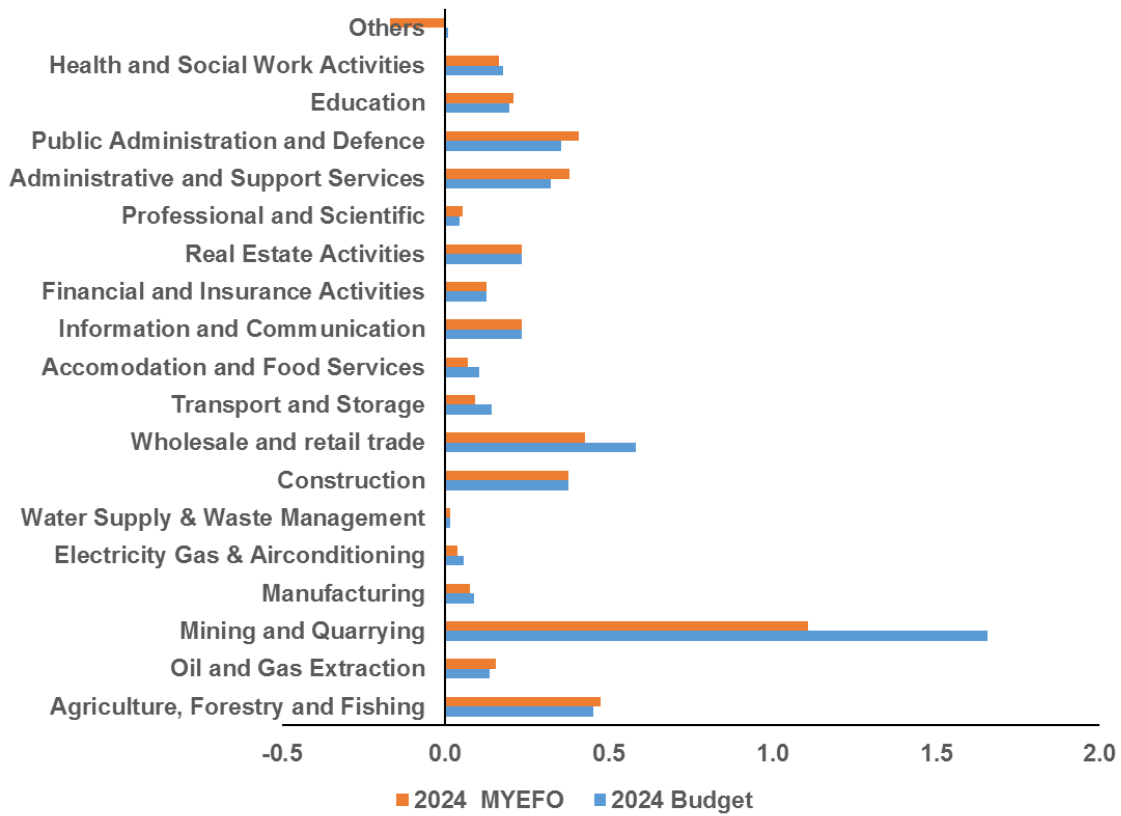
Overall, growth in the non-resource sector is projected at 4.5 per cent, down from 4.7 per cent estimated in the budget, supported by administrative & support services (5.0 per cent), public administration and defence (7.0 per cent) and AFF (2.9 per cent).

Chart 15: Real Economic Growth (2016-2024)



Source: NSO and Department of Treasury. 2022-2022 are actuals from NSO, estimates from Treasury.

Chart 16: 2024 Real GDP Growth, percentage Points' Contribution By Sectors



Source: Department of Treasury

Note: MYEFO abbreviation for mid-year economic and fiscal outlook report

Table 3: Key Economic Parameters 2023- 2024

	2023		2024	
	2024 Budget	2024 MYEFO	2024 Budget	2024 MYEFO
Real Economic Growth	2.7	2.9	5.3	4.6
Non-resource Real GDP (%)	4.5	4.2	4.7	4.5
Resource Real GDP (%)	-2.2	-0.4	7.1	4.9
Inflation				
Average on Average (%)	3.5	2.3	5.0	3.5
Interest rate				
Kina Rate Facility (KFR)	3.3	3.3	3.3	3.0
Agriculture Prices				
Coffee (US\$ per tonne)	4453	4762	4090	4453
Cocoa (US\$ per tonne)	3099	3257	3354	5896
Copra oil (US\$ per tonne)	1080	1075	1080	1352
Palm Oil (US\$ per tonne)	853	829	825	835
Mineral Prices				
Gold (US\$/oz)	1918	1943	1973	2178
Copper (US\$/ton)	8501	8486	8285	8761
Oil (Kutubu Crude: US\$/barrel)	79	78	80	80
LNG (US\$ per thousand cubic feet)	14.9	14.4	14.6	13.0
Condensate (US\$/barrel)	79	78	80	80
Nickel (US\$/tonne)	19028	21527	17745	15105
Cobalt (US\$/tonne)	25953	33871	24632	20260

Source: Department of Treasury

Note: MYEFO is abbreviation for Mid-Year Economic and Fiscal Outlook report

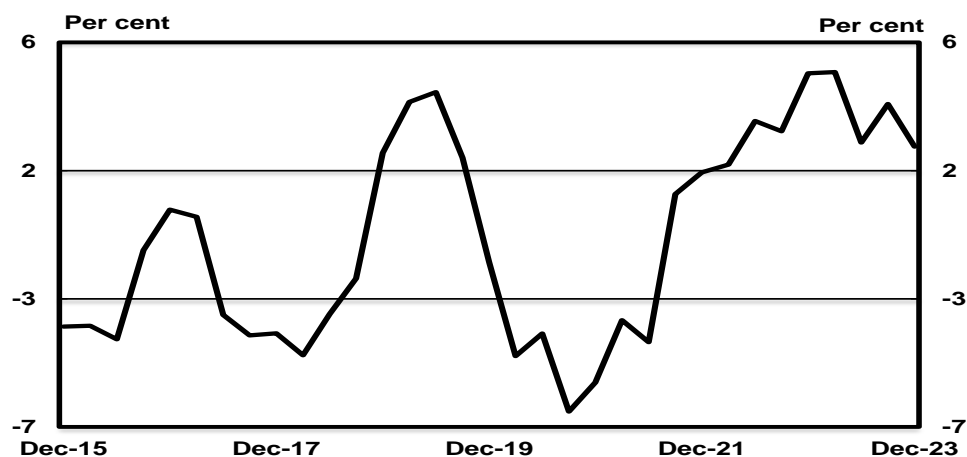
Employment Update

Total employment in the formal private sector in 2023 grew by 2.5 per cent on a year-on-year basis. According to BPNG's 2023 December quarterly employment statistics, mining sector employment grew by 10.2 per cent, and the non-mining sector employment grew by 1.7 per cent through the year to December 2023. The increase in mining employment largely reflects the resumption of activities of the Porgera mine in the last quarter of 2023.

The increase in non-mining employment was driven by stronger employment growth in transportation (up 9.6 per cent) and the agriculture, forestry and fishery sector (up 7.1 per cent).

The growth in employment was also seen in the wholesale sector (up 4.1 percent) and financial sector (up 1.7 percent), while the building and construction and retail sectors recorded a negative growth of 20 percent and 2.8 percent, respectively. The lack of growth in employment within the building and construction sector is attributed to the seasonal nature of employment contracts which work on an as needed basis. Employees are usually temporarily laid off and will only be recalled once new construction contracts are secured.

Chart 17: Employment Growth (through-the-year percentage growth)



Source: Bank of PNG

The decline in employment growth was also visible in the manufacturing sector (down 2.8 per cent) which reflects the scaling down of Puma Energy Napa Napa Refinery. Cost-cutting measures undertaken by other major manufacturing companies to maintain input costs also contributed to the decline in employment growth in 2023.

Inflation Update

2023 Inflation Outcome

Total inflation outcome for 2023 as measured by the consumer price index (CPI) averaged at 2.3 per cent, which is 1.2 percentage points lower than the 2024 Budget estimate of 3.5 per cent and 3.0 percentage points lower than the 2022 outcome of 5.3 per cent. Underlying inflation (excluding seasonal and price control items) averaged 1.8 per cent, much lower than the 4.9 per cent recorded in 2022.

The lower headline inflation outcome in 2023 was largely driven by lower education costs with the reintroduction of the Government's tuition-fee free education policy (GTFS) and lower transportation costs due to the fuel relief assistance provided by the Government. Education inflation fell by 22.9 per cent in 2023 and is estimated to have reduced overall inflation by 1.4 percentage points. In addition, cigarette prices fell due to increased competition from a new cigarette firm that came into the market.

Food and non-alcoholic beverages prices, which accounted for around 29 per cent of the basket, remained elevated driven by the prices of imported food. On average, food prices rose by 7.0 per cent and contributed around 2.0 percentage points to overall inflation. The price of food and non-alcoholic beverage notably imported cereals remained elevated in the December quarter of 2023.

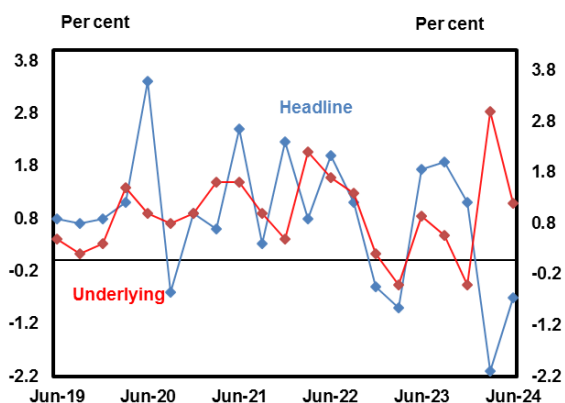
2024 Inflation Update

Headline inflation consecutively negative for the first two quarters of 2024. The headline inflation outcome in June quarter of 2024 declined to 0.7 per cent from -2.1 per cent in the March quarter of 2024 (see Chart 18). The key driver influencing headline inflation is the price

of Betel Nut, which declined by 27.4 per cent in the March quarter of 2024 and 19.0 per cent in the June quarter of 2024, respectively.

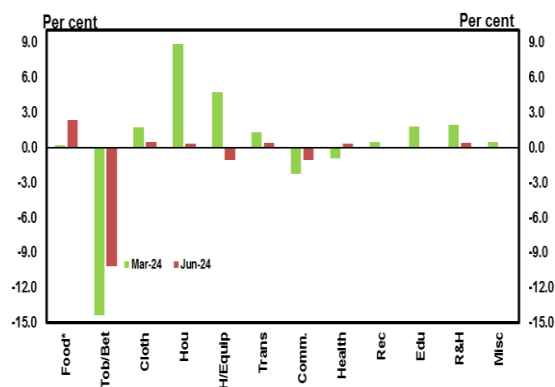
On an annual basis - between June quarter 2023 and June quarter 2024 - headline inflation increased by just 0.1 per cent, down from 2.5 per cent recorded over the year to March quarter 2024 (see Chart 21).

Chart 18: Headline and Underlying Inflation- June Quarter 2024



Source: National Statistical Office

Chart 19: Expenditure Basket – June Quarter 2024 growth



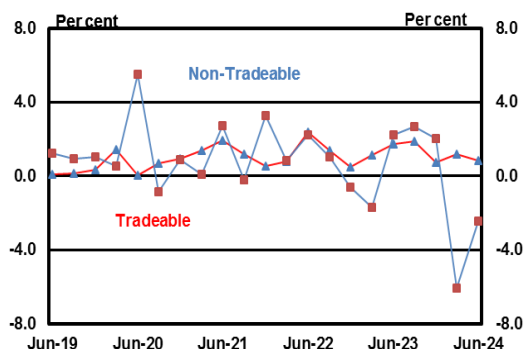
Source: National Statistical Office

The underlying measure of inflation that excludes seasonal and price-controlled items grew by 1.2 per cent in the June quarter, compared to 3.0 per cent recorded previously in the March quarter (see Chart 18). Between June 2023 and June 2024, underlying inflation rose by 4.4 per cent (see Chart 21).

Imported inflation increased by 0.8 per cent in the June quarter 2024, compared to 1.2 per cent in the previous quarter. Prices have increased for many imported items namely: Baby Clothing (up 4.5 per cent), Sewing items (up 3.5 per cent), Fuel and Lubricants (up 3.6 per cent). This more than offset the decreases in the prices of other imported items such as women’s and girl’s wear (down 1.9 per cent), boy’s wear (down 0.3 per cent) and household appliances (down 0.3 per cent).

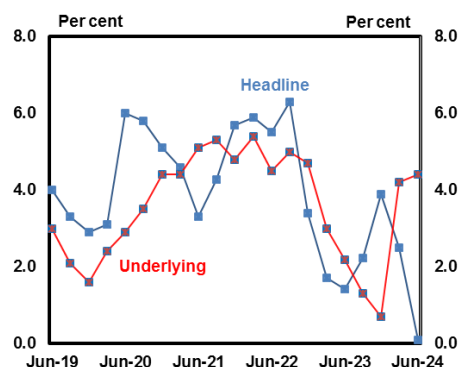
Over the past twelve (12) months (June 2023 to June 2024), imported inflation grew at 4.8 per cent compared to 5.7 per cent over the year to March quarter 2024 (see Chart 20). Price increases were recorded for imported items including Fuel and Lubricants (up by 20.3 per cent), boys wear (up by 15.8 per cent), baby clothing (up by 14.4 per cent), cereals (up by 8.2 per cent). This more than offset the decreases in the prices of other imported items such as Motor Vehicle purchases (down by 1.4 per cent), oils and fats (down by 2 per cent).

Chart 20: Tradable and non-Tradable Inflation June Quarter 2024



Source: National Statistical Office

Chart 21: Headline and Underlying Inflation through the year (June 2023 to June 2024)



Source: National Statistical Office

Non-tradeable or Domestic inflation declined by -2.4 per cent in the June quarter 2024, compared to -6.1 per cent recorded in the March quarter 2024 (see Chart 20). The slowdown in domestic inflation was due to the fall in the prices for Betelnut & Mustard, and Communication while other domestic items have recorded price increases.

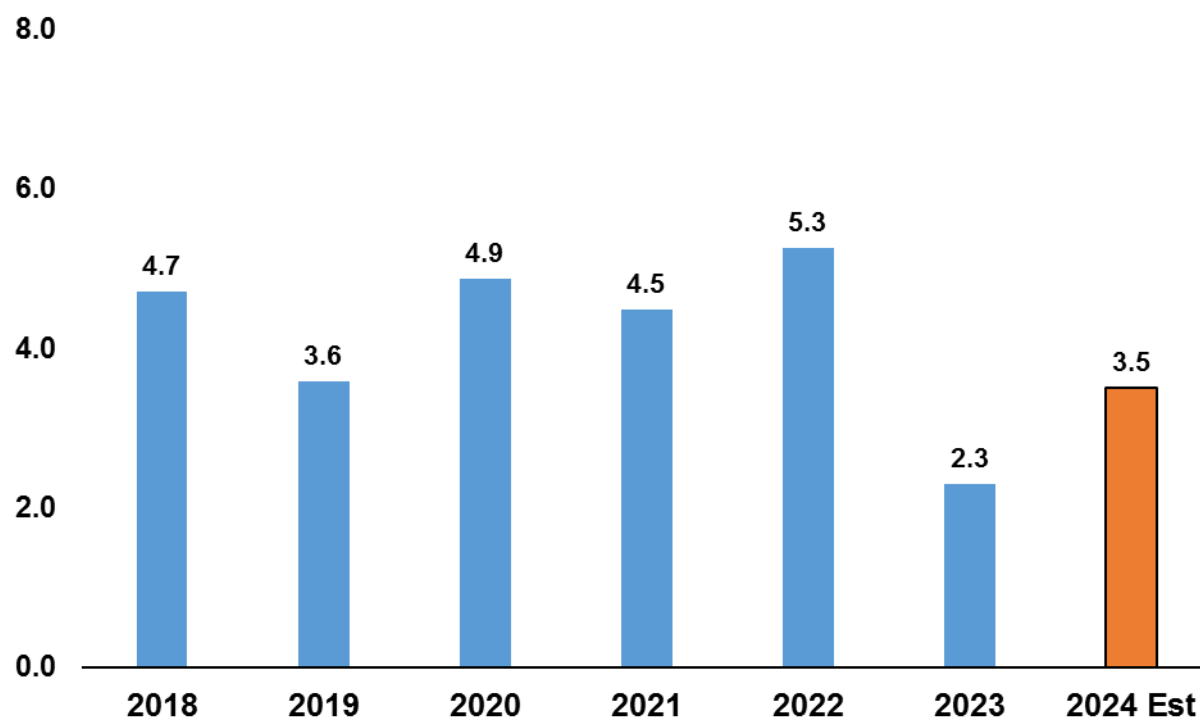
Over the past twelve (12) months (June quarter 2023 to June quarter 2024), prices of domestic items declined by 0.4 per cent lower than the 0.6 per cent increased over the year to March quarter. The decline in domestic prices reflected decrease in the prices of Betel Nut and Communication (prepaid services). The domestic items that experienced price increases included Tobacco and Gas, among others.

Generally, over the year to June quarter 2024, headline inflation has fallen. Lower headline inflation is driven by seasonal items mainly Betel Nut prices, while underlying or core inflation (excluding seasonal and price control items) has reversed direction to trend upwards due to exchange rate depreciation (chart 21).

2024 Inflation Outlook

Headline inflation is projected to increase from a very low 2.3 per cent in 2023 to 3.5 per cent in 2024. Both of these rates are well below historic averages. This is despite the currency depreciation, which would have translated to higher inflation through higher cost of imports. The low inflation expectation is due to continuing low or negative domestic inflation, and the contractionary fiscal policy of cutting budget deficits lowering demand pressures (see chart 22).

Chart 22: Headline Inflation Outcome and Estimate Year Average % (2018-2024)



Source: NSO and Department of Treasury

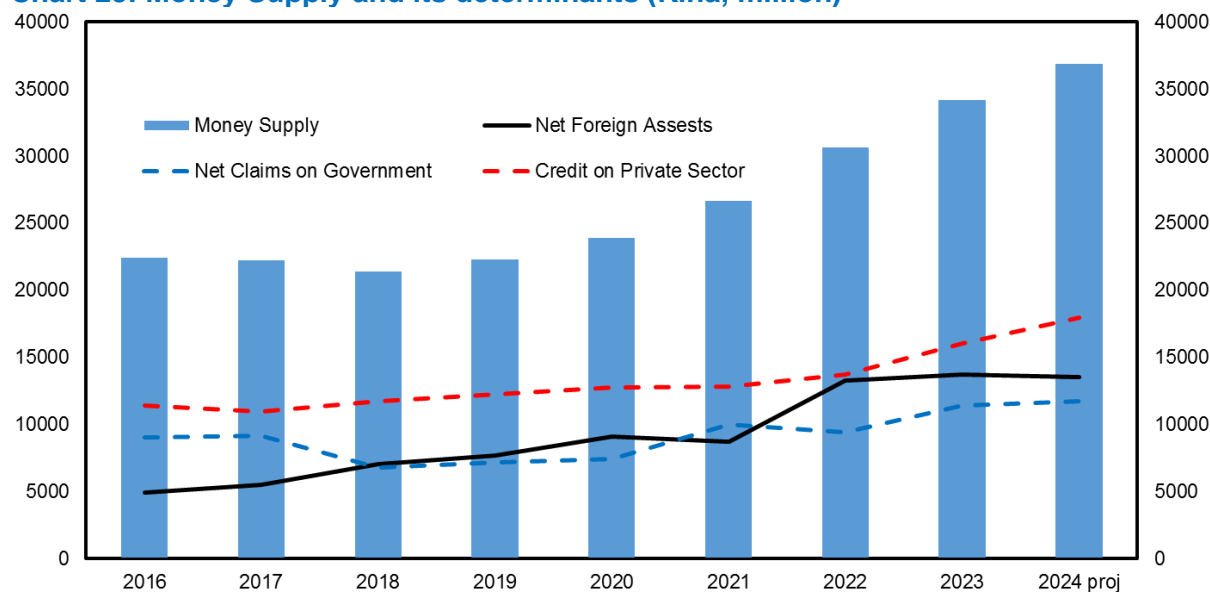
Monetary Developments

In its March 2024 Monetary Policy (MPS), the Bank of PNG (BPNG) announced for tightening of monetary policy stance over the next six months. Following this announcement in April 2024, BPNG increased both the Kina Facility Rate (KFR) from 2.0 percent to 2.5 per cent and the Cash Reserve Requirement (CRR) from 10.0 per cent to 11.0 per cent. This was done in May 2024 to crowd out credit growth and diffuse liquidity in the system. In June 2024, BPNG maintained the KFR at 2.5 per cent and further increase the CRR to 12.0 per cent.

The broad money supply in 2023 rose by 11.5 per cent to K34,150.0 million, up from K30,623.0 million in 2022 (see Chart 23). The increase in money supply has been concurrent with an increase in Net Foreign Assets (NFA) by 3.5 per cent, increased credit to the private sector by 17.3 per cent and Government by 21.0 per cent (which is comprised of BPNG and Other Depository Corporations (ODCs)).

The increase in NFA reflects the increase in reserves from higher Mineral and Petroleum Tax (MPT) receipts and some external borrowings from the IMF, which is largely acquired by BPNG. The increase of Net Domestic Assets is attributed to higher net claims on the Central Government by BPNG (though claims by ODC's have fallen), reflecting an increase in the holdings of the Government's securities and an increase in private sector credit. The increase in Private Sector Credit mainly reflects increased activity in the agriculture, petroleum and gas sectors.

Chart 23: Money Supply and its determinants (Kina, million)



Source: Bank of PNG

According to the BPNG 2024 March MPS, broad money supply is projected to increase by 7.9 per cent in 2024 driven by domestic borrowing by the private sector and the Government. Credit to the private sector will increase by 12.0 per cent, net Claims on Government may rise by 2.7 per cent, while Net Foreign Assets are projected to contract by 1.4 per cent. A decline in NFA could occur driven by continued central bank intervention in the forex market, as it is largely going to support trade flows. The monetary base is projected to increase by 2.1 per cent due to the increase in Net Domestic Assets.

Balance of Payment (BOP) – 2023 Update

Papua New Guinea's trade activity with the rest of the world moderated in 2023, after an exceptional performance in 2022. According to the BPNG's MPS of March 2024, PNG's overall Balance of Payments recorded a surplus of K200.0 million in 2023, compared to a surplus of K2,856.8 million in 2022 (see Chart 24). This was driven by a current account surplus of K15,108.2 million (13.6 per cent of GDP), which more than offset the deficit in the financial account of K10,056.1 million (9.0 per cent of GDP).

The current account surplus in 2023 was driven by higher export receipts through increased export volumes and higher prices for gold, copper, and higher cocoa prices.

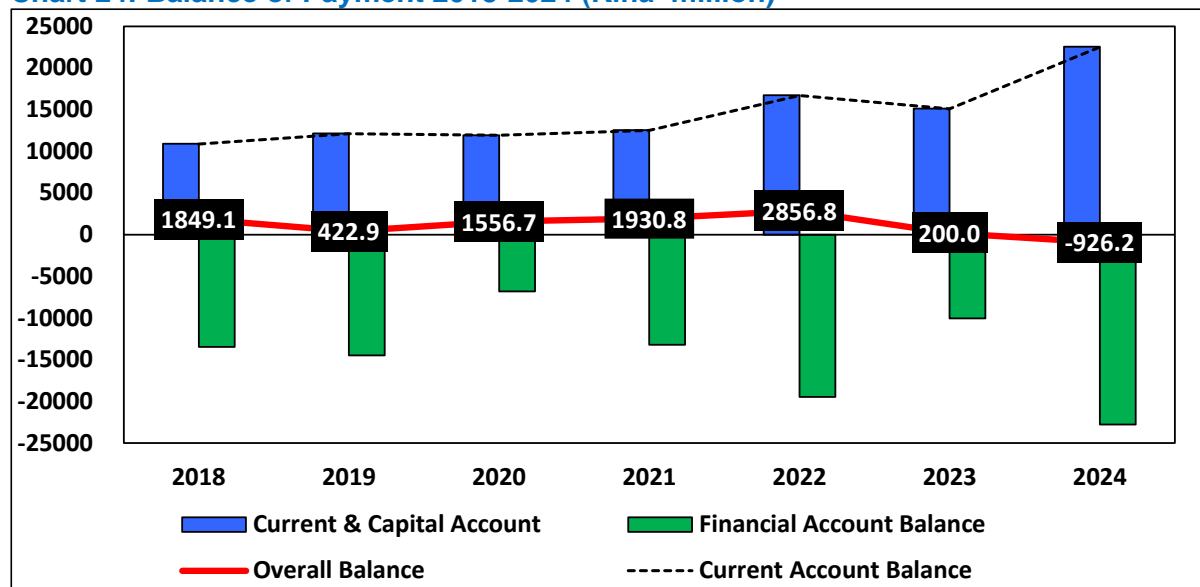
Import activities were constrained in 2023 due to foreign exchange shortages and exchange rate depreciation. Domestic economic growth has also slowed in 2023 which kept import activities low. Imports for goods and services declined by 12.0 per cent to K25,767.4 million (23.0 per cent of GDP) from K29,137.8 million recorded in 2022 (26.0 per cent of GDP).

Balance of Payments Outlook

In 2024, the current account surplus is expected to be K22,528.4 million (18.3 per cent of GDP; US\$5,700 million at current rates), which is 49.1 per cent higher than 2023 outcome. This reflects higher receipts anticipated from PNG's major export commodities driven by favourable international commodity prices, improved international competitiveness of PNG products with the reduced kina, and increased production in the agriculture, fishery and mining sectors. The resumption of the Porgera mine will also boost the surplus in the current account.

According to the BPNG March 2024 MPS, the overall balance of payments nevertheless is projected to record a deficit of K926.2 million in 2024 reflecting a higher net outflow of K26,527.3 million (21.5 per cent of GDP) in the financial account. This is expected to more than offset a surplus of K25,601.1 million (20.8 per cent of GDP) in the current and capital account.

Chart 24: Balance of Payment 2018-2024 (Kina' million)



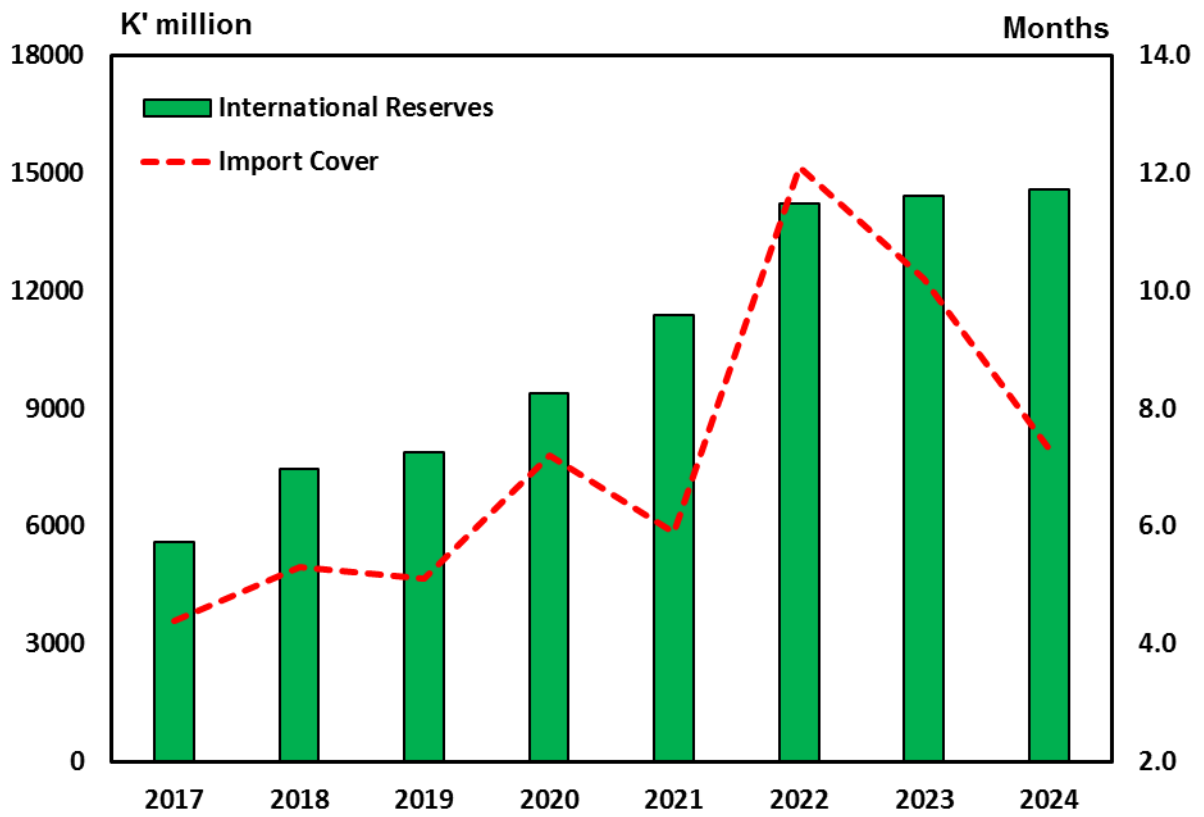
Source: Department of Treasury and BPNG

International Reserves

According to the BPNG March 2024 MPS, the gross international reserves amounted to US\$3,956.7 million (K14,424.8 million) at end December 2023 compared to US\$4,132.2 million (K14,225.9 million) at the end of December 2022. This is 13.0 per cent of GDP and was sufficient for 10.0 months of total import cover and 17.9 months of non-mineral import cover (see Chart 25). In overall, gross international reserves in 2023 was lower by 4.2 per cent compared to the 2022 outcome. This reflects the overall moderation in international commodity prices in 2023 and a general slowdown in the domestic economy.

In 2024, the gross international reserve is predicted to remain high reflecting high commodity prices, resumption of the Porgera mine and the exchange rate depreciation which is expected to boost exports. On the downside, BPNG's intervention in the FX market and the Government's debt repayments could lead to a decrease in foreign reserves although the latter will be offset by IMF tranches and concessional loan drawdowns.

Chart 25: International Reserves Annual 2016-2023 (Kina 'million)



Source: BPNG

1.3 THE FISCAL POSITION AND OUTLOOK

The first half of the year was challenging as the country experienced unprecedented civil unrest during the January 2024 Black Wednesday civil unrest in different parts of the country including landslides. The FX shortages, now on-going for a decade, had some positive reductions as measured by the level of outstanding orders over two months, but businesses remain affected. The disagreements with PUMA on obligations have also impacted business activities. Despite these challenges, businesses are resilient as the PNG economy continues to recover from the impact of the COVID-19 pandemic and the effects of the Russia-Ukraine conflict. The inflationary pressures resulting from negative spill over effects of the Russia-Ukraine conflict have declined but must be closely controlled. The Government and BPNG are pursuing tighter monetary and fiscal policy actions as a result.

The Marape-Rosso Government continues to deliver on its key service delivery and policy and program commitments. The largest of these relate to the commitments to lift the numbers and salaries of teachers and health workers, commitments which have created new pressures on the budget. In addition, commitments which are being met include: (1) Government Tuition Fee Subsidy (GTFS) program; (2) Tertiary Education Study Scheme (TESAS); (3) Rentals & Utilities; and (4) investments in infrastructure projects and schools and hospitals. As well, the Government has honored and serviced its debt obligations.

The Government has also prioritized funding for key capital investment programs such as the Connect PNG and District Roads Program, District and Provincial Support Improvement Programs (DSIP/PSIP) and other Public Investment Programs (PIPs).

In the first half of the year, Total Revenue & Grants recorded K8,981.5 million or 38.4 per cent of the 2024 Budget estimate, and total expenditure and net lending totalled K10,904.1 million or 39.8 per cent of the 2024 Budget appropriation. This resulted in a fiscal deficit of K1,922.6 million, that was mainly financed by domestic loans. Consequently, the debt stock outcome at end June 2024 rose to K58,720.5 million or 47.6 per cent of GDP, which is well within the prescribed limit of 57.5 per cent of GDP required by the *Fiscal Responsibility Act (2020 amended)* and the 13-Year Budget Repair plan.

Table 4: Key Fiscal Aggregates 2023-2024 (Kina, million)

Kina Million	2023 Actuals	2024 Budget	June Outturn	2024 MYEFO	Budget Variance
TRANSACTIONS AFFECTING NET WORTH:					
Revenue	19,810.0	23,393.8	8,981.5	22,930.8	-463.0
Taxes	17,626.9	18,694.8	7,986.2	18,707.7	13.0
<i>Taxes on Income, profits, and capital gains</i>	11,730.4	12,455.5	5,111.3	12,515.6	60.1
<i>Taxes on payroll and workforce</i>	2.0	1.2	0.2	1.2	0.0
<i>Taxes on goods and services</i>	5,227.0	5,349.2	2,510.1	5,452.1	102.9
<i>Taxes on international trade and transactions</i>	667.6	888.8	364.6	738.8	-150.0
Grants	1,158.6	2,205.0	578.2	2,205.0	0.0
Other Revenue	1,024.4	2,494.1	417.2	2,018.0	-476.0
<i>Dividends</i>	479.7	1,150.0	210.0	1,150.0	0.0
<i>Non-Tax Revenue (Statutory Transfers)</i>	457.7	1,248.0	165.0	772.0	-476.0
<i>Fees and Charges</i>	91.7	96.1	42.2	96.0	0.0
<i>SWF Inflows</i>	0.0	0.0	-	0.0	0.0
<i>Interest & Fees from Lending</i>	0.0	0.0	0.0	0.0	0.0
Resource Revenue	4,309.2	4,450.0	1,490.3	4,550.0	100.0
<i>Mining and Petroleum Taxes</i>	3,906.5	3,550.0	1,280.3	3,650.0	100.0
<i>Mining, Petroleum and Gas Dividends</i>	402.6	900.0	210.0	900.0	0.0
<i>Transfer from the Stabilization Fund (SWF)</i>	0.0	0.0	0.0	0.0	0.0
Revenue as percentage of GDP	17.8%	19.1%	7.3%	18.6%	-0.5%
Total Expenditure and lending	24,614.4	27,377.5	10,904.1	26,914.4	-463.0
Expense as percentage of GDP	22.1%	22.3%	8.8%	21.8%	-0.5%
Expense²	20,965.6	22,117.4	9,239.3	22,660.8	543.3
Compensation of employees	6,934.2	6,933.6	3,264.1	7,396.5	462.9
Use of goods and services	6,911.4	7,072.6	2,418.1	7,153.0	80.4
Interest	2,761.3	2,968.8	1,396.5	2,968.8	0.0
Grants	4,289.4	5,033.5	2,105.5	5,033.5	0.0
Social benefits	0.0	100.4	0.0	100.4	0.0
Other expense	69.3	8.6	55.2	8.6	0.0
Net Acquisition of Non-Financial Assets*	3,648.8	5,260.1	1,664.8	5,417.5	157.4
Fixed Assets	3,648.8	5,260.1	1,664.8	5,417.5	157.4
Policy Adjustments Required**	0.0	0.0	0.0	-1,163.8	-1,163.8
Gross Operating Balance³	-1,155.6	1,276.4	-257.8	270.0	-1,006.4
Net Lending (+) / Net Borrowing (-)	-4,804.4	-3,983.7	-1,922.6	-3,983.6	0.0
Net lending/borrowing as percentage of GDP	-4.3%	-3.3%	-1.6%	-3.2%	0.0%
Primary Balance ⁴	-2,043.1	-1,014.9	-526.1	-1,014.8	0.0
Non-resource net lending (+)/borrowing (-)	-9,113.6	-8,433.7	-3,412.9	-8,533.6	-100.0
Non-resource primary balance	-6,352.3	-5,464.9	-2,016.4	-5,564.8	-100.0
Non-resource primary balance as percentage of Non-resource GDP	-7.7%	-6.1%	-2.3%	-6.3%	-0.1%
Transactions in financial assets and liabilities	4,804.4	3,983.8	1,922.6	3,983.7	0.0
Net Acquisition of Financial Assets	-540.6	0.0	-1,145.8	0.0	0.0
Domestic***	-540.6	0.0	-1,145.8	0.0	0.0
External	0.0	0.0	0.0	0.0	0.0
Net Incurrence of Liabilities	4,263.8	3,983.8	776.7	3,983.7	0.0
Domestic	2,176.1	2,320.4	1,087.8	2,320.4	0.0
<i>Debt securities: Treasury bills</i>	350.2	-177.6	-207.6	-177.6	0.0
<i>Debt securities: Treasury bonds</i>	1,945.0	2,560.2	1,377.6	2,560.2	0.0
<i>Loans</i>	-119.1	-62.2	-82.1	-62.2	0.0
External	2,087.7	1,663.4	-311.1	1,663.5	0.0
<i>Monetary gold and special drawing rights (SDR's)</i>	0.0	0.0	0.0	0.0	0.0
<i>Debt securities: Sovereign bonds</i>	0.0	0.0	0.0	0.0	0.0
<i>Loans</i>	2,087.7	1,663.4	-311.1	1,663.5	0.0
Gross Debt Stock	57,943.7	61,927.6	58,720.5	61,927.6	0.0
Debt as % of GDP	52.0%	50.5%	47.6%	50.2%	0.0%
Gross Domestic Product⁵	111,350.8	122,519.1	123,419.1	123,419.1	123,419.1
Non-resource GDP	82,124.6	90,018.5	88,755.8	88,755.8	88,755.8

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. Includes 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. Represents 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.

*Inclusive of even split of K581.9m each for unallocated expenditure cuts for both operational and capital expenditure through policy adjustments/interventions.

**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.

***Cash Balances carry over from 2023

In the first half of the year, Tax Revenue was tracking at K7,986.2 million or 42.7 per cent against its 2024 Budget estimate. This outcome is K1,361.2 million or 14.6 per cent lower than the mid-year pro-rata target. Other Revenue is tracking at K471.2 million or 16.7 per cent against its 2024 Budget estimate, which is well below the mid-year pro-rata target, reflecting lower inflows from Statutory Transfers and Dividends. Donor Grants amounted to K578.2 million or 26.2 per cent against the 2024 Budget estimate, which is also well below its mid-year pro-rata target. This reflects delayed reporting from development partners⁷.

At the end of June 2024, Operational Budget Expenditures amounted to K6,754.6 million, representing 40.5 per cent of the 2024 Operational Budget appropriation of K16,677.8 million. This outcome is consisted of Compensation of Employees (CoE) (K3,249.4 million), Interest Cost payments (K1,405.9 million), Goods & Services (G&S) (K1,748.3 million), Provincial Functional Grants (K266.9 million) and GST & Bookmakers Turnover Tax (BTT) Transfers (K84.2 million).

Total Capital Budget expenditures as at end June was K4,152.2 million or 38.8 per cent of the total Capital Budget of K10,699.8 million. This is made up of GoPNG (K3,170.8 million), Concessional Loan drawdowns (K403.2 million) and Donor Grants (K578.2 million). Despite the lower outcome, key Government commitments such as SIPs, Connect PNG Infrastructure Program, Special Intervention Program, Infrastructure Development Grant (IDG), and counterpart-funded projects continue to be prioritised. Many of the programs prioritised in the first half of 2024 are projects that are expected to provide immediate economic stimulus and relief to people in districts and provinces.

Fiscal Outlook for 2024

Total Revenue and Grants is estimated to decrease by K463.0 million (2.0 per cent) to K22,930.8 million from the 2024 Budget estimate of K23,393.8 million. This is due to expected decline in Other Revenues, especially non-tax revenues (statutory transfers from *NTRA Act* implementation), which more than offset the expected increases in tax revenues. There will also be a need to carefully monitor dividend payments which are well below expectations, but the Government is instructing these organisations to make full payments.

Total Expenditure and Net Lending is projected to decrease by K463.0 million (1.7 per cent) to K26,914.5 million from the 2024 Budget expenditure envelope of K27,377.5 million. This decrease is mainly through the policy interventions to be undertaken by the Government in the second half of the year. This decrease is expected to offset projected increases in compensation of employees (CoE), mainly from Teachers Salary and Salaries Remuneration Committee (SRC) Determination payout, 3.0 per cent CPI adjustments and the subsequent State-Share contribution.

Based on the above developments, the 2024 Budget deficit is projected to remain as budgeted at K3,983.7 million or 3.2 per cent of GDP. This projected deficit is higher than the agreed IMF program deficit target for the end of the year.

As a result, the total public debt stock is projected to be K61,927.6 million, or 50.2 per cent of GDP at the end of the year. This is still within the prescribed limit of 57.5 per cent of GDP required by the *Fiscal Responsibility Act (2024 amended)* and the medium-term budget targets. The projected debt to GDP ratio is slightly lower than the 50.5 per cent at budget, reflecting upward revision to nominal GDP.

⁷ Detailed reporting on the Donor Grants will be made available in the 2024 Final Budget Outcome (FBO) report.

Running higher deficit risks distorting the 13-Year Budget Repair & Fiscal Consolidation Plan to achieve a budget surplus by 2027. Furthermore, it is worth noting associate challenges in securing cheaper and concessional external financing, including delays in receiving budget support which are subjected to the successful implementation of reform measures.

The non-resource primary balance (as percentage of non-resource GDP) is estimated to increase slightly to -6.3 per cent, against the 2024 Budget target of -6.1 per cent, an increase of 0.2 percentage points.

Table 5: Key Fiscal Parameters 2023-2024

	2023 Actuals	2024 Budget	June Outturn	2024 MYEFO
Net Lending (+)/Borrowing (-) as % of GDP	-4.3%	-3.3%	-1.6%	-3.2%
Non-resource Primary Balance as % of non-resource GDP	-7.9%	-6.1%	-2.3%	-6.3%
Debt as % of GDP	52.0%	50.5%	47.6%	50.2%

Source: Department of Treasury

1.4 TOTAL REVENUE AND GRANTS

The total Revenue and Grants estimate for 2024 has been revised down by K463.0 million (2.0 per cent) from K23,393.8 million in the 2024 Budget to K22,930.8 million (see Table 6). This is mainly due to a downward revision of K476.0 million in Other Revenue, more than offsetting a net increase of K13.0 million in Tax Revenue.

The downward revision of K476.0 million in Other Revenue reflects expected shortfalls in Non - Tax Revenue (NTRA) by the same amount compared to the 2024 Budget estimates. Dividends and Departmental Fees and Charges were maintained as per their Budget estimates.

The net increase of K13.0 million in Tax Revenue reflect expected improvements in Goods and Services Tax (GST) (up K200.0 million), Mining and Petroleum Tax (MPT) (up K100.0 million), Import Excise (up K100.0 million), Personal Income Tax (PIT) (up K58.0 million), and Stamp Duties (up K46.7 million) against the 2024 Budget estimates. The upward revision in these respective taxes more than offset the downward revisions in Excise Duty (down K230.0 million), Export Tax (down K150.0 million), Company Income Tax (CIT) (down K100.0 million), Customs Sundry Taxes (down K11.6 million), and Departure Tax (down K6.0 million). Other taxes are tracking well in terms of collections and therefore are maintained as per the 2024 Budget estimates.

Donor Grants are maintained at the 2024 Budget estimate.

Table 6: Total Revenue and Grants 2023-2024 (Kina, million)

	2023 Actual	2024 Budget	June Outturn	2024 MYEFO	Budget Variation
Tax Revenue	17,626.9	18,694.8	7,986.2	18,707.8	13.0
<i>Per cent of GDP</i>	<i>15.8%</i>	<i>15.3%</i>	<i>6.5%</i>	<i>15.2%</i>	<i>0.0</i>
Grants	1,158.6	2,205.0	578.2	2,205.0	0.0
<i>Per cent of GDP</i>	<i>1.0%</i>	<i>1.8%</i>	<i>0.5%</i>	<i>1.8%</i>	<i>0.0</i>
Other Revenue	1,024.4	2,494.0	417.2	2,018.0	- 476.0
<i>Per cent of GDP</i>	<i>0.9%</i>	<i>2.0%</i>	<i>0.3%</i>	<i>1.6%</i>	<i>0.0</i>
Total Revenue & Grants	19,810.0	23,393.8	8,981.5	22,930.8	- 463.0

Source: Department of Treasury

TAX REVENUE

The total tax revenue collected in the first half of the year accounted for 42.7 per cent of the 2024 Budget estimate. It has been revised up to K18,707.8 million, which is K13.0 million (0.1 per cent) higher than the 2024 Budget estimate and K1,080.8 million (6.1 per cent) higher than the 2023 outcome. This increase is mainly driven by the expected strong growth in the economy due to the resumption of the Porgera mine, high commodity prices, increased government spending, and better compliance efforts by IRC and PNG Customs.

Taxes on Income, Profits and Capital Gains

Taxes on Income, Profits and Capital Gains have been revised up by K60.0 million (0.5 per cent) to K12,515.7 million, compared to the Budget estimate of K12,455.6 million (see Table 7).

PIT has been revised up by K58.0 million (1.3 per cent) from the 2024 Budget estimate of K4,341.0 million. The year-to-date collection shows that PIT is tracking well at K2,174.8 million (50.1 per cent). This reflects strong employment⁸ growth despite the challenges posed by the Black Wednesday civil unrest in January 2024, supported by an expansion in Government payroll. In addition, the resumption of the Porgera mine and its spill-over impact on the economy in terms of employment is expected to support the growth in PIT going forward. The current average monthly PIT collection is around K362.5 million. Should this trend continue in the second half of the year, PIT is expected to be slightly above the 2024 Budget estimate by year-end.

CIT is expected to decline by K100.0 million (2.7 per cent) reflecting lower collections in the first half. The year-to-date collections amounted to 33.9 per cent of the 2024 Budget estimate. Despite the downward revision, it still represents a 20.8 per cent increase from the 2023 outcome. Collections usually pick up in the second half of the year when the second and third CIT installments are remitted.

MPT projection has been revised up by K100.0 million (2.8 per cent) from the 2024 Budget estimate of K3,550.0 million. The upward revision reflects the strong year-to-date collections, higher mineral prices coupled with higher production volumes and the resumption of the Porgera mine. Collections in the first half of the year amounted to K1,280.3 million or 36.1 per cent of the 2024 Budget estimate. This is based on the first installment payment in May. Collections in the second half of the year from the second and third installments are expected to surpass the 2024 Budget estimate by year-end.

Dividend Withholding Tax (DWT) is expected to meet the 2024 Budget estimate of K496.0 million due to ongoing DWT payments from non-resident companies and individuals. The June Outturn is tracking well at 43.7 per cent against the 2024 Budget estimate.

Interest Withholding Tax (IWT) is expected to meet the 2024 Budget estimate of K219.6 million due to the higher year-to-date collection. The June Outturn amounted to 54.1 per cent of the 2024 Budget estimate, reflecting the ongoing interest payments on Treasury Bills (T-Bills) and Treasury Bonds (T-Bonds), amongst other interest payments

Non-Resident Insurers Interest Withholding Tax (NRIWT) is also expected to meet the 2024 Budget estimate of K7.3 million, considering the year-to-date collection trend. The June outturn for NRIWT amounted to 55.9 per cent of the 2024 Budget estimate.

⁸ According to BPNG Employment Index, total private sector employment grew by 1.7 per cent in the first quarter of 2024 compared to the corresponding period in 2023, driven by employment growth in the mining (up 9.6 percent) and non-mining (up 0.8 per cent).

Table 7: Taxes on Income, Profits and Capital Gains 2023-2024 (Kina, million)

	2023 Actual	2024 Budget	June Outturn	2024 MYEFO	Budget Variation
Taxes on Income, Profits and Capital Gains	11,730.4	12,455.6	5,111.3	12,515.7	60.0
Personal Income Tax	4,149.8	4,341.0	2,174.8	4,399.0	58.0
Company Tax	3,031.6	3,761.2	1,274.6	3,661.2	-100.0
Mining and Petroleum Taxes	3,906.5	3,550.0	1,280.3	3,650.0	100.0
Royalties & Management Tax	64.0	80.3	41.3	80.2	0.0
Dividend Withholding Tax	375.2	496.0	216.7	496.0	0.0
Interest Withholding Tax	189.3	219.6	118.9	219.6	0.0
Non-Resident Insurers Withholding Tax	11.6	7.3	4.1	7.3	0.0
Tax Related Court Fines	0.0	0.0	0.0	0.0	0.0
Sundry IRC Taxes & Income	2.2	0.2	0.7	2.2	2.0

Source: Department of Treasury

Taxes on Payroll and Workforce

Tax collections for Payroll and Workforce amounted to K0.2 million in the first half of the year, although this particular tax head was repealed in 2018. The current collections reflect delayed collections from the years before 2018. Taxes on Payroll and Workforce has been maintained at the Budget estimate of K1.2 million (see Table 8).

Table 8: Taxes on Payroll and Workforce 2023-2024 (Kina, million)

	2023 Actual	2024 Budget	June Outturn	2024 MYEFO	Budget Variation
Training Levy	2.0	1.2	0.2	1.2	0.0
Total	2.0	1.2	0.2	1.2	0.0

Source: Department of Treasury

Taxes on Goods and Services

Taxes on Goods and Services are expected to increase by K103.0 million (1.9 per cent) from the 2024 budget estimate of K5, 349.1 million (see Table 9). This estimated increase is based on the June year-to-date collection trend of 46.9 per cent.

Table 9: Taxes on Goods and Services 2023-2024 (Kina, million)

	2023 Actual	2024 Budget	June Outturn	2024 MYEFO	Budget Variation
Taxes on Goods and Services	5,227.0	5,349.1	2,510.1	5,452.1	103.0
GST ¹	3,598.6	3,236.4	1,510.3	3,436.4	200.0
Sales taxes	0.0	0.0	0.0	0.0	0.0
Bank Account Debit Fees	0.0	0.0	0.0	0.0	0.0
Stamp Duties	18.9	46.3	42.2	93.0	46.7
Excise Duty	896.5	1,326.4	523.2	1,096.4	- 230.0
Import Excise	327.6	300.0	251.3	400.0	100.0
Bookmakers' Turnover Tax	15.9	47.1	9.7	47.1	0.0
Gaming Machine Turnover Tax	341.5	358.1	167.5	358.1	0.0
Departure Tax	7.1	13.0	2.3	7.0	- 6.0
Motor Vehicle Tax	3.8	0.0	0.0	3.8	3.8
Other taxes on use of goods and on permission to use goods or perform activities	0.1	0.0	0.1	0.1	0.1
Other taxes on goods and services	16.9	21.8	3.5	10.2	- 11.6

Source: Department of Treasury

*GST represents the total of collections by Provinces, Ports and less Refunds.

In the first half of the year, Inland and Ports GST collections are tracking well at 48.2 per cent and 41.7 per cent, respectively, against the 2024 Budget estimate of K2, 426.8 million and K1, 713.1 million. Collections in the second half of the year will be supported by IRC's ongoing compliance and enforcement efforts in continuing the implementation of Section 65A to service providers especially to Provincial Governments and State-Owned Enterprises to address revenue leakages. Strong consumption driven by favorable economic growth and high commodity prices is expected to support collections, offsetting the impact from the Black Wednesday events. GST transfers to the Consolidated Revenue Fund (CRF) are expected to rise given the performance trends. Total refunds in the first half of the year were K374.8 million and they are expected to be K213.6 million above the Budget estimate of K903.5 million by year-end. Given these developments, GST has been revised up by K200.0 million from the 2024 Budget estimate of K3,236.4 million.

Domestic excise duty has been revised down by K230.0 million (17.3 per cent) to K1,096.4 million from the 2024 Budget estimate of K1, 326.4 million. The June outturn amounted to K523.2 million (39.4 per cent) of the 2024 Budget estimate, reflecting the aftermath of Black Wednesday events and alcohol ban in certain parts of the country. Businesses especially in the wholesale and retail sector who were affected by the Black Wednesday events took some time off to reorganize their business operations, therefore local excise collections in the first quarter were affected.

Import excise is estimated to increase by K100.0 million (33.3 per cent) to K400.0 million from the 2024 Budget estimate of K300.0 million due to the restoration of excise on fuel products. In the first six (6) months of 2024, import excise collections amounted to 83.7 per cent of the 2024 Budget estimate. Collections are higher by 145.0 per cent compared to the same period in 2023, reflecting the restoration of excise on fuel products following the exemptions in 2022 and the first half of 2023, as part of the government's fiscal relief assistance.

Gaming Machine Tax (GMT) is estimated to meet the 2024 Budget estimate of K358.1 million. The June outturn for GMT amounted to 46.8 per cent of the Budget estimate, reflecting the increase in the number of gamblers as new gaming and betting methods become available.

Departure Tax has been revised down by K6.0 million (46.5 per cent) to K7.0 million from the 2024 Budget estimate of K13.0 million due to lower year-to-date collection trend. The June

outturn amounted to K2.3 million (17.7 per cent) of the 2024 Budget estimate. The low collections reflect frequent flight cancellations resulting from fuel supply disruptions.

Stamp Duty projection has been revised up by K46.7 million (100.9 per cent) from the 2024 Budget estimate of K46.3 million due to higher collections in the first half of the year. The year-to-date collections for Stamp Duty are tracking well at 91.2 per cent of the 2024 Budget estimate, reflecting the ongoing sale of properties.

Customs Sundry Taxes have been revised down by K11.6 million (53.4 per cent) from the 2024 Budget estimate of K21.8 million due to lower year-to-date collection trend. The June outturn amounted to K3.5 million (16.2 per cent) of the Budget estimate, reflecting lower collections of penalties and fees and charges.

Taxes on International Trade and Transactions

Taxes on International Trade and Transactions (see Table 10) are estimated to decline by K150.0 million (16.9 per cent) from the 2024 Budget estimate of K888.8 million. This comprises of K283.8 million in Export Duty and K455.0 million in Import Duty.

Export Tax has been revised down by K150.0 million (34.6 per cent) to K283.8 million from the 2024 Budget estimate of K433.8 million. The June outturn amounted to 35.2 per cent of the 2024 Budget estimate. The estimated fall in export tax revenues reflect the removal of the anticipated export duty on unprocessed fish which will not be implemented in the second half of the year as intended in the 2024 Budget. The downward revision also reflect the reduction in global demand for round logs, especially from China, amid the ongoing crisis in China's real estate sector. The decline in log monitoring due to contractual difficulties with the relevant contractor are also impacting on tax collections in this area.

Table 10: Taxes on International Trade and Transactions 2023-2024 (Kina, million)

	2023 Actual	2024 Budget	June Outturn	2024 MYEFO	Budget Variation
Taxes on International Trade & Transactions	667.6	888.8	364.6	738.8	- 150.0
Import Duty	386.2	455.0	212.1	455.0	0.0
Other Import Taxes	0.0	0.0	0.0	0.0	0.0
Export Tax	281.4	433.8	152.5	283.8	- 150.0

Source: Department of Treasury

Import Duty is estimated to meet the 2024 Budget estimate of K455.0 million, reflecting the year-to-date collection trend. The June Outturn amounted to K212.1 million (46.6 per cent) of the 2024 Budget estimate. This performance reflects a slight reduction in trade activities compounded by the ongoing foreign exchange shortages which affected imports. Revenue loss from Import duty exemptions on various input products outlined in the 2024 Budget have had very little impact on collections.

GRANTS

Total Donor Grants are unchanged against the 2024 Budget estimate of K2, 205.0 million. In the first half of the year, donor grants from the development partners amounted to K578.2 million (26.2 per cent) of the Budget estimate (See Table 11).

Table 11: Grants 2023-2024 (Kina, million)

	2023 Actual	2024 Budget	June Outturn	2024 MYEFO	Budget Variation
GRANTS	1,158.6	2,205.0	578.2	2,205.0	0.0
From Foreign Governments	892.1	1,775.4	562.9	1,775.4	0.0
Current	713.7	1,622.2	450.3	1,622.2	0.0
Cash	0.0	130.0	0.0	130.0	0.0
In-Kind	713.7	1492.2	450.3	1492.2	0.0
Capital	178.4	153.2	112.6	153.2	0.0
Cash	0.0	0.0	0.0	0.0	0.0
In-Kind	178.4	153.2	112.6	153.2	0.0
From International Organizations	266.6	429.6	15.3	429.6	0.0
Current	213.3	396.4	12.2	396.4	0.0
Cash	0.0	0.0	0.0	0.0	0.0
In-Kind	213.3	396.4	12.2	396.4	0.0
Capital	53.3	33.2	3.1	33.2	0.0
Cash	0.0	0.0	0.0	0.0	0.0
In-Kind	53.3	33.2	3.1	33.2	0.0

Source: Department of Treasury

OTHER REVENUE

The Other Revenue has been revised down from the 2024 Budget estimate of K2,494.4 million to K2,018.0 million. The revised estimate is comprised of K1,150.0 million in dividends, K772.0 million through the implementation of the *NTRA Act 2022*, and K96.0 million to be collected from the departmental fees and charges.

Non-Tax Revenue is estimated at K772.0 million, a downward revision by K476.0 million from the 2024 Budget estimate of K1,248.0 million. The anticipated statutory transfer of K200.0 million from the National Gaming Control Board (NGCB) is expected to be collected in the second half of the year. The remaining K572.0 million will come from other Statutory Authorities.

In terms of dividends, a payment of K210.0 million was remitted to the State in the first half of the year. This payment was meant for the 2023 Fiscal Year, but remitted in 2024. Dividends are maintained as per the 2024 Budget estimates of K1,150.0 million. This is comprised of K700.0 million expected from Kumul Petroleum Holdings Limited (KPHL), K200.0 million from Ok Tedi Mining Limited (OTML), and K250.0 million from Kumul Consolidated Holdings Limited (KCHL) (see Table 12).

Despite the lower collection trend from departmental fees and charges, the 2024 Budget estimate of K96.0 million has been maintained. Of this, K68.0 million is expected from improved compliance collections for land lease rentals by the Department of Lands, K26.0 million from payroll commissions from the Department of Finance following the year-to-date collection trend, and the remaining balance is expected from the other departmental fees and charges.

Table 12: Other Revenue 2023-2024 (Kina, million)

	2023 Actual	2024 Budget	June Outturn	2024 MYEFO	Budget Variation
OTHER REVENUE	1,024.4	2,494.0	417.2	2,018.0	-476.0
Property Income	517.8	1,246.0	232.8	1,219.3	-26.7
Interest	0.0	0.0	0.0	0.0	0.0
Dividends	479.7	1,150.0	210.0	1,150.0	0.0
<i>Mining Petroleum and Gas Dividends</i>	<i>402.6</i>	<i>900.0</i>	<i>210.0</i>	<i>900.0</i>	0.0
<i>Dividends from Statutory Authorities</i>	<i>77.1</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	0.0
<i>Dividends from State Owned Enterprises</i>	<i>0.0</i>	<i>250.0</i>	<i>0.0</i>	<i>250.0</i>	0.0
Withdrawals from income of quasi-corporations	0.0	0.0	0.0	0.0	0.0
Property income from investment income disbursements	0.0	0.0	0.0	0.0	0.0
Rent	38.1	96.0	22.8	69.3	-26.7
Sales of goods and services	21.4	0.0	3.6	0.7	0.7
<i>Sales by market establishments</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	0.0
<i>Administrative fees</i>	<i>7.0</i>	<i>0.0</i>	<i>1.8</i>	<i>0.7</i>	0.7
<i>Incidental sales by nonmarket establishments</i>	<i>14.4</i>	<i>0.0</i>	<i>1.8</i>	<i>0.0</i>	0.0
<i>Imputed sales of goods and services</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	0.0
Fines, penalties, and forfeits	2.1	0.0	0.3	0.0	0.0
Transfers not elsewhere classified	483.0	1,248.0	180.6	798.0	-450.0
<i>Current transfers not elsewhere classified</i>	<i>483.0</i>	<i>1,248.0</i>	<i>180.6</i>	<i>798.0</i>	<i>-450.0</i>

Source: Department of Treasury

1.5 EXPENDITURE AND NET LENDING

Total Expenditure and Net Lending in the first half of Fiscal Year 2024 amounted to K10,904.1 million or 8.8 per cent of GDP (see Table 13). This outcome represents 39.8 per cent of the total Budget expenditure envelope of K27,377.5 million. However, this outcome is lower by K2,784.6 million or 20.3 per cent compared to the mid-year pro-rata expenditure target.

The lower expenditure outcome is mainly attributed to less than anticipated donor grants and slower than expected drawdowns of concessional loans to support loan-funded projects. Also, delayed submission of monthly cashflows, workplans and procurement plans by implementing agencies contributed to the lower expenditure outcome for this reporting period. Under new procurement processes, agencies are required to submit their work plan and cash flow plans to the departments of Treasury and National Planning & Monitoring for approval prior to receiving their funds.

Table 13: Total Expenditure and Net Lending 2023-2024 (Kina, million)⁹

Expenditure by Fund Source	2023 Actuals	2024 Budget.	June Outcome	2024 MYEFO	Outturn as a % of Budget	Budget variance
Operational Component	15,086.6	16,677.8	6,752.0	17,221.1	40.5%	543.3
Compensation of Employees	6,934.1	7,034.3	3,249.4	7,497.3	46.2%	463.0
Use of Goods and Services	4,032.6	5,057.1	1,748.3	5,137.5	34.6%	80.3
Functional Grants	523.1	638.0	266.9	638.0	41.8%	0.0
Interest Cost	2,769.7	3,050.8	1,405.9	3,050.8	46.1%	0.0
GST & BMTT	827.1	897.6	81.6	897.6	9.4%	0.0
Capital Investment Component	9,529.1	10,699.8	4,152.2	10,857.2	38.8%	157.4
PIP	6,339.5	6,101.0	2,377.8	6,258.4	39.0%	157.4
SIPs	998.0	1,180.0	793.0	1,180.0	67.2%	0.0
Concessional loan funded	1,033.0	1,213.8	403.2	1,213.8	33.2%	0.0
Donor Grants	1,158.6	2,205.0	578.2	2,205.0	26.2%	0.0
Unallocated Expenditure Cuts (GoPNG Operational)*	0.0	0.0	0.0	-581.9	0.0%	-581.9
Unallocated Expenditure Cuts (GoPNG PIP)*	0.0	0.0	0.0	-581.9	0.0%	-581.9
Grand Total	24,615.7	27,377.5	10,904.1	26,914.6	39.8%	-463.0

Source: Department of Treasury

*Policy intervention

Operational Budget Expenditure

Operational expenses as at the end June 2024 amounted to K6,752.0 million or 40.5 per cent of the 2024 Budget estimate and 24.7 per cent against the total expenditure envelope of K27,377.5 million (see Table 14). This outcome is lower by K1,586.9 million (19.0 per cent) compared to the mid-year pro-rata Budget target of K8,338.9 million.

Key operational expenses such as utilities, rentals, medical supplies (drugs and equipment) and other recurrent expenses (office supplies, overseas missions, Tertiary Education Scholarship Assistance Scheme (TESAS), etc.) are tracking well against their pro-rata projections for the first half of 2024. They are expected to be within budget targets at year's end. Compensation of Employees was the largest expenditure item, recording an outcome of K3,249.4 million¹⁰ and it is expected to increase from its Budget appropriation by K462.9 million. On the other hand, Interest payments are expected to remain within budget as appropriated.

Overall, operational expenditure is expected to pick up in the second half of the year as the Government agencies ramp up spending, which has been common in the recent fiscal years.

⁹ Table 13 and fiscal table Statement of Operations differs here due to presentation of the funding source to its expense items. Table 13 illustrates the Operations and Capital expense components separately whilst Statement of Operation presents the aggregate expense under each economic classification.

¹⁰ The figure here mainly comprised of operational CoE data's up to June excluding 2020 Population Census Preparation and National E-ID Card Project appropriated executed under capital worth K14.7 million for smooth implementation. The full report for CoE is captured in table 14.

Table 14: Expenditure by Agency Type and Fund Source 2023-2024 (Kina, million)

Agency Type	2023 Actuals	2024 Budget	June Outcome	2024 MYEFO	Outturn as a % of Budget	Budget Variance
National Departments	9,330.9	11,327.2	4,372.6	11,477.9	38.6%	150.7
Provincial Government	6,152.0	5,039.6	2,384.6	5,514.6	47.3%	475.0
Commercial & Stat. Authority	3,716.0	4,126.4	1,579.9	4,201.5	38.3%	75.0
Autonomous Bougainville Govt.	454.6	415.1	179.7	415.1	43.3%	0.0
Interest Payment	2,769.7	3,050.8	1,405.9	3,050.8	46.1%	0.0
Unallocated Expenditure Cuts (GoPNG Operational)*	0.0	0.0	0.0	-581.9	0.0%	-581.9
Unallocated Expenditure Cuts (GoPNG PIP)*	0.0	0.0	0.0	-581.9	0.0%	-581.9
Grand Total	22,423.2	23,958.7	9,922.7	24,659.5	41.4%	-463.0

Source: Department of Treasury

Note: This table includes reporting of GST & BTT transfers (under Provinces) but excludes reporting of concessional loans and donor support grants.

*Policy intervention..

Total expenditure under National Departments was K4,372.6 million or 38.6 per cent of 2024 Budget appropriation. This outcome is lower by K1,290.8 million or 22.8 per cent compared to the pro-rata estimate of K5,663.4 million for the reporting period. Compared to the same period last year, this outcome is higher by K1,076.1 million or 24.6 per cent. The lower outturn mainly reflects delayed implementation of projects and programs due to procurement requirements and other administrative delays.

Priority expenditure items under National Departments include: Connect PNG Infrastructure Program (K527.8 million), GTFS (K425.9 million), State Share Contribution to Nambawan Super (K168.1 million), Rentals (K149.7 million), Utilities (K111.8 million), Medical Supplies (K88.0 million), Health Function Grant (K74.1 million), Special Intervention Program (K70.0 million), Nambawan Super Exit Payments (K50.0 million), Infrastructure Development Grant (K50.0 million), Arrears (K39.9 million), and New Enga Hospital (K7.0 million).

The expenditure outcome for Provincial Governments, including the Autonomous Bougainville Government, totalled K2,564.3 million or 47.0 per cent of the 2024 Budget appropriation of K5,454.7 million. Spending on CoE for both the Provincial Governments and the ABG for the first half of the year totalled K1,202.7 million¹¹, representing 22.0 per cent of the total appropriation. The SIPs and functional grants payments amounted to K793.0 million and K266.9 million, respectively.

Total expenditure for Commercial & Statutory Authorities (CSA) was K1,579.9 million or 38.3 per cent of the 2024 Budget appropriation of K4,126.5 million. This outcome is lower by K483.4 million or 23.4 per cent compared to the pro-rata estimate of K2,063.3 million. CoE under CSA recorded an outcome of K950.0 million or 48.4 per cent against the Budget estimate. Priority programs expended under the CSA include: Administration of Village, District, National and Supreme Courts (K102.7 million); SOE reform Programs (K40.0 million); Judiciary Support Services Program (K1.0 million); and Coffee Access Roads Program (K5.0 million).

Debt Servicing (Interest Cost)

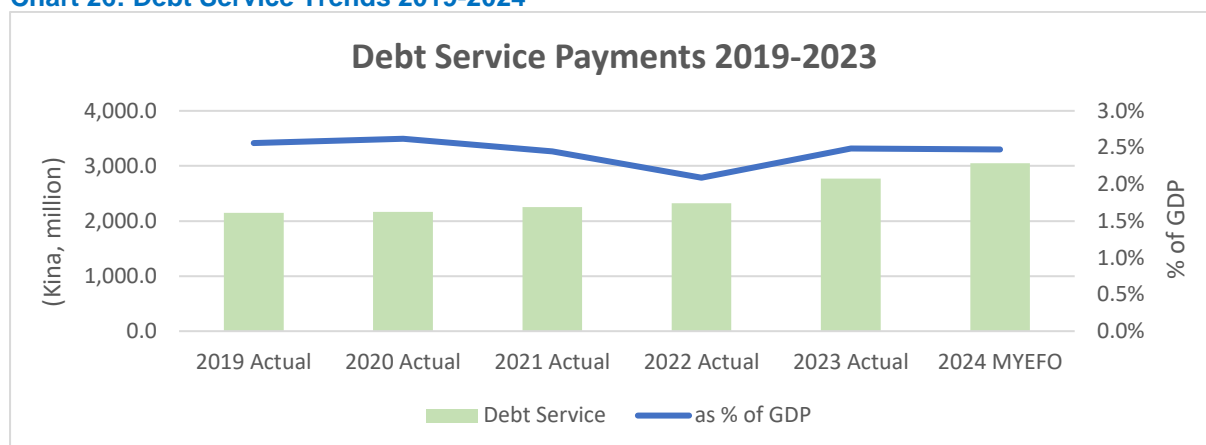
Total debt servicing (interest cost) for the first six months of the year amounted to K1,405.9 million, representing 46.1 per cent of the 2024 Budget estimate. The Debt service

¹¹From the total of K1,202.7 million, Teachers' salaries alone comprises of K1,026.3 million and is expected to be over against its Budget appropriation at the end of the year as reflected in Table 15.

outcome at year's end is projected to remain at budget levels, reflecting the expected decrease in international lending costs balanced with the impact of exchange rate depreciation. Recent increases in domestic interest costs will impact on future budgets as the payments are generally made at the end of the 364-day Treasury Bills, or future coupon payments on Treasury Bonds.

Chart 26 below summarizes the growth in debt service payments since 2020. On average, debt service payments as a share of GDP is tracking around 2.4 per cent during the period. At the end of 2023, debt service payment as a share of GDP was 2.5 per cent. For 2024, it is expected to drop by a percentage point to 2.4 per cent.

Chart 26: Debt Service Trends 2019-2024



Source: Department of Treasury

Compensation of Employees (CoE)

CoE in the first half of the year totalled K3,264.1 million or 46.4 per cent when compared with the 2024 Budget appropriation (see Table 15). This amount reflects the normal fortnightly wages and salaries for public servants, including newly recruited teachers, village court officials' monthly wages, health workers, and law enforcement personnel (police, defence, and correctional services). The village court officials were added to Government's ALESCO payroll earlier this year.

Table 15: Compensation of Employees by item Types (Kina, million)

CoE Items	2023 Actuals	2024 Budget	June Outcome	2024 MYEFO	Outturn as a % of Budget	Budget Variance
National Depts Salaries	1,430.4	1,656.5	711.9	1,569.4	43.0%	-87.1
CSA Salaries	2,159.4	1,580.0	791.1	1,655.0	50.1%	75.0
Teacher Sal Gr	1,621.3	1,813.3	1,026.3	2,288.3	56.6%	475.0
Retirement	824.6	889.0	304.2	889.0	34.2%	0.0
Staffing Grants	330.6	392.2	161.8	392.2	41.3%	0.0
Wages Allow	311.1	296.1	130.0	296.1	43.9%	0.0
Leave fares	215.4	224.4	59.4	224.4	26.5%	0.0
Overtime	36.8	43.0	13.9	43.0	32.3%	0.0
MPs	122.7	115.5	58.6	115.5	50.7%	0.0
Other CoE	23.6	24.0	6.9	24.0	28.8%	0.0
Total	7,075.9	7,034.0	3,264.1	7,496.9	46.4%	462.9

Source: Department of Treasury

Salary expenses for the National Departments is tracking well and is within the mid-year estimate at 43.0 per cent. CSA and Teachers' Salaries amounted to K791.1 million and K1,026.3 million, and tracking at 50.1 per cent and 56.6 per cent, respectively. Efforts to tackle payroll inefficiency and wastages including control and monitoring are being led by the Organisational Staffing & Personnel Emoluments & Audit Committee (OSPEAC).

The teachers' salary is expected to be over by K475.6 million. The increase reflects the execution of the 3.0 per cent pay increase and subsequent state-share contribution. Back pay for 2023 and the first half of 2024 will be paid in July, and is expected to be around K125.0 million, which will also yield a higher than expected outturn relative to the budget and spending to date. Moreover, the revised increase also caters for the abolishment of the elementary school payroll system and their pay level elevation to primary school level.

For the CSA pay group, payroll costs for PHAs are expected to increase by more than K100.0 million, but within the CSA salary appropriation in net terms. However, the projected reduction offsets the overruns, resulting in an expected net over-run of K462.9 million. In addition, the expected overrun reflects unavailability of credible information at 2024 Budget time.

The Government allocated K116.1 million for the retirement program for 2024 under the CoE Budget, to help mitigate the risk of overruns. Only K1.4 million has been expended to pay out some retired personnel in the first half of 2024. A large portion of the aging public servants that are expected to retire are teachers, police and defence personnel. Through OSPCAC, Treasury is working closely with the departments of Personnel Management (DPM) and Finance to verify and retire aging public servants. Since the inception of the retirement program, over 2,000+ public servants have been retired at a total cost of almost K200.0 million.

The June outturn of K304.2 million for Retirement comprises the State Share Contribution to Nambawan Super–Automation (K168.1 million) and Nambawan Super (NSL) Exit Payments (K50.0 million). The outcome also includes payment of the final entitlements for batch 4 retirees from 2022 totalling K19.1 million.

Capital Budget Expenditure

Total expenditure for the end of June outturn for the Capital Investment Budget (including donor grants and concessional loans) amounted to K4,152.2 million or 38.8 per cent of Capital Investment Budget. This includes GoPNG funded expenditures of K3,170.8 million (GoPNG PIP + SIPs) donor grants-funded expenditures of K578.2 million and project loan funded expenditures of K403.2 million.

Compared to this time last year, the Capital Investment Budget outcome for June 2024 is higher by K916.3 million or 28.3 per cent.

Table 16: Capital Investment Budget 2023 to 2024 (Kina, million)

Components	2023 Actuals	2024 Budget	June Outcome	2024 MYEFO	Outturn as a % of Budget	Budget Variance
GoPNG PIP	6,140.5	6,101.0	2,377.8	6,258.4	39.0%	157.4
SIPs	1,196.0	1,180.0	793.0	1,180.0	67.2%	0.0
Loans	1,033.0	1,213.8	403.2	1,213.8	33.2%	0.0
Grants	1,158.6	2,205.0	578.2	2,205.0	26.2%	0.0
Unallocated Expenditure Cuts (GoPNG PIP)*	0.0	0.0	0.0	-581.9	0.0%	-581.9
Total	9,528.1	10,699.8	4,152.2	10,275.3	38.8%	-424.5

Source: Department of National Planning & Monitoring.

*Policy intervention.

The major capital expenditure items for the first six months of 2024 includes: (1) Connect PNG Infrastructure Program (K527.8 million); (2) District Infrastructure Program (Kina-for-Kina) (K409.0 million); (3) District Infrastructure Development Program (K279.8 million); (4) 2020 Population Census Preparation (K115.4 million); (5) Special Intervention Program (K70.0 million); and (6) Establishment of Credit Guarantee Corporation (K50.0 million). Other infrastructure programs in the law & justice, health, education, utilities and transport sectors have also been funded.

For projects funded by concessional loans, the mid-year outcome was K403.2 million, which is 33.2 per cent of its 2024 Budget estimate of K1,213.8 million. Some of the loan-funded projects implemented in 2024 include: (1) PNG Power Grid Project Phase 2 Project (K90.9 million); (2) Sustainable Highlands Highway Investment Program-Tranche 1 (K27.1 million); (3) Nadzab Airport Redevelopment Project (K67.5 million); (4) PNG (OCR) SHHIP-Tranche 2 (K65.0 million); (5) Emergency Tuberculosis Project (K20.1 million); (6) Rural Service Delivery Project (K17.2 million); and (7) the Urban Youth Employment Program II (K12.7 million).

Donor grants expenditure for the first six months amounts to K578.2 million or 26.2 per cent against the 2024 Budget estimate. The lower outcome is mainly attributed to non-reporting on the part of the development partners at the time of this report. This is mainly due to different donors having different financial reporting periods and processes, which in most cases do not align with the Government's reporting time period. The Government of Australia continues to remain the largest donor partner. The other grant financiers include the Asian Development Bank (ADB), United Nation (UN), Peoples' Republic of China, European Union (EU), New Zealand Government and the Japanese Government through the Japan International Co-operation Agency (JICA). A full report on the donor grant expenditure for the year will be reflected in the 2024 Final Budget Outcome (FBO) report.

Domestically funded capital investment as at end of June 2024 amounted to K3,170.8 million, or 43.5 per cent of the budget estimate of K7,281.0 million (see Table 19). The lower-than-expected figure is due to implementation challenges posed by the new procurement rules, cash flow constraints and the prioritising of priority projects.

Table 17: 2024 GoPNG Capital Expenditure by Sectors

Sector	2023 Actuals	2024 Budget	June Outcome	2024 MYEFO	Outturn as a % of Budget	Budget Variance
Administration	1,742.9	2,204.0	1,203.4	2,361.4	54.6%	157.4
Community & Culture	71.0	73.0	26.3	76.0	36.0%	0.0
Economic	576.9	893.0	163.3	893.0	18.3%	0.0
Education	126.0	183.0	34.3	180.0	18.7%	0.0
Health	282.1	384.9	25.9	384.9	6.7%	0.0
Law & Justice	221.3	385.0	41.5	385.0	10.8%	0.0
Province	2,709.5	1,585.1	1,012.8	1,585.1	63.9%	0.0
Transport	951.2	1,192.0	582.5	1,192.0	48.9%	0.0
Utilities	384.9	381.0	80.9	381.0	21.2%	0.0
Unallocated transfers to the Capital Budget*	270.4	0.0	0.0	0.0	0.0%	0.0
Unallocated budget cut – capital**	0.0	0.0	0.0	-581.9	0.0%	-581.9
Total	7,336.2	7,281.0	3,170.8	6,856.5	43.5%	-424.5

Source: Department of National Planning & Monitoring

*Refer Box 3, 2023 FBO Report.

**Policy intervention.

The administration sector recorded an expenditure outcome of K1,203.4 million or 54.6 per cent of its 2024 Budget appropriation. Major programs funded under this sector during the first six months of 2024 included: (1) District Infrastructure Program (Kina-for-Kina) (K409.0 million); (2) District Infrastructure Development Program (K279.8 million); (3) 2020 Population Census Preparation (K115.4 million); (4) Special Intervention Program (K70.0 million); (5) Provincial Infrastructure Development Program (K44.0 million) and (6) Infrastructure Development Grant (PNG LNG) (K40.0 million).

The provinces sector recorded an expenditure outcome of K1,012.8 million or 63.9 per cent of its 2024 Budget appropriation. Key expenditure items for the provinces included: (1) DSIP (K647.0 million); (2) PSIP (K146.0 million); (3) PM's Commitment to ABG (K42.0 million); (3) Restoration Development Grant (Outstanding) (K25.0 million); (4) New NCD Hospital Development (K20.0 million); and (5) Hela Opena Polytechnical Institute (K13.0 million) as well as funding for other district and provincial roads infrastructure and hospitals.

The transport sector recorded an expenditure outcome of K582.5 million or 48.9 per cent of its 2024 Budget appropriation. The major programs funded under this sector during the first half of the year included: (1) Connect PNG Infrastructure Program (K527.8 million); (2) Fisika Road (K10.0 million); (3) 40 Mile to Menyamya Road (K10.0 million), (5) Mul-Baiyer - Wapenamanda Road K5.0 million); (6) CADIP Program Tranche 3 (K3.0 million); and (7) PNG Ports Infrastructure Investment Program (K1.0 million).

The economic sector recorded an expenditure outcome of K163.3 million, or 18.3 per cent of its 2024 Budget appropriation. Key programs funded during the first half of the year included: (1) Establishment of Credit Guarantee Corporation (K50.0 million); (2) SME Funding for Agriculture Program (K17.9 million); (3) National Land Partnership Program (K12.8 million); (4) Special Economic Zone Development Program (K10.0 million); (5) National Trade Facilitation Program (K6.6 million); and (6) Coffee Access Roads Program (K5.0 million).

The utilities sector recorded an expenditure outcome of K80.9 million, or 21.2 per cent of its 2024 Budget appropriation. The key programs funded included: (1) SOE Reform Program (K40.0 million); (2) Motukea Substation and Dirio Transmission Line Project (K5.0 million); (3) Mobile Network Expansion Rollout Program (K5.0 million); (4) NBC Rehabilitation & Modernisation Program (K5.0 million); (5) Port Moresby Grid Development (K3.5 million); and (6) Ramu Transmission Reinforcement System Upgrade Project (K3.5 million).

The law & justice sector recorded an expenditure outcome of K41.5 million or 10.0 per cent of its 2024 Budget appropriation. The key programs funded under the sector during the first half of the year included: (1) Waigani National Court Complex (K30.0 million); (2) Magisterial Services Case Management System (K2.0 million); (3) Relocation of Legal Training Institute (LTI) (K1.0 million); (4) Ombudsman Commission Case Management System (K1.0 million); and (5) Air Capability Program (K1.0 million).

Other priority programs in the other key sectors were also funded during the first half of the year. These include programs in the education sector (K34.3 million); community & culture sector (K26.3 million); and health sector (K25.9 million).

1.6 STATUS OF TRUST ACCOUNTS

Pursuant to *Section 15* of the *Public Finance Management Act (PFMA), (Amended 2016)*, the Department of Finance (DoF) authorizes any government institution, whether it be National Department, Statutory Authority or Provincial Government, to establish and operate trust accounts. These trust accounts can be funded through the National Budget, Donors or counter funded by GoPNG. *Section 16 (6) of the PFMA*, requires that all trust accounts must be operated in accordance with the requirements of the relevant trust instruments.

Since 2005, a total of K21,846.1 million (K20,951.2 million from 2023 FBO + K894.9 million from the 2024 Budget appropriations) has been expended through the budget-funded trust accounts for the implementation of various Government priority programs. The main purpose of holding funds in Trust Accounts is to spread spending overtime to give Government agencies sufficient time to properly plan and implement priority programs/projects.

The following is the expenditure report for all the budget funded trust accounts from 01st January to 30th June 2024. A total of K894.9 million has been expended from various trust accounts between January and June 2024.

Table 18: Movement of Funds in Budget Funded Trust Accounts from 1st January – 30th June 2024 (Kina, million)

Trust Account Name	Balance as at 1-Jan-24	Debit (Receipts)	Credit (Payments)	Balance as at 30-June-24
Restoration and Development Grant Subsidiary Account	0.00	0.00	0.00	0.00
Special Intervention Funds (Established on 28 Feb 2014)	0.03	0.00	0.00	0.03
Correctional Services Development Project GoPNG TA	49.24	12.30	12.13	49.40
Mukurumanda Jail Project Trust Account	0.64	0.00	0.06	0.57
Jiwaka Provincial Headquarter Project Trust Account	0.00	0.00	0.00	0.00
Small Medium Enterprise Risk Sharing Facility (GoPNG) T/A	3.21	3.04	4.76	1.50
Govt's funding of Rehab of Higher Ed Sector	34.77	7.86	3.72	38.91

Trust Account Name	Balance as at 1-Jan-24	Debit (Receipts)	Credit (Payments)	Balance as at 30-June-24
Flexible, Open and Distance Education Rehabilitation T/A (GoPNG)	1.65	0.00	0.74	0.92
Tuition Fee Free Education Subsidiary Trust Account	4.53	273.66	268.31	9.88
Tuition Fee Free Education - Commodity Component Trust	181.29	65.31	19.32	227.28
Financial Management Improv.Prog - GoPNG	1.19	2.02	3.17	0.04
Financial Mgt Improvement Prog - PCAB	1.89	0.70	1.76	0.83
Infrastructure Development (UBSA) Account Subsidiary	1.40	0.00	0.00	1.40
Public Service Audit Program	0.60	0.00	0.20	0.40
*COVID-19 Emergency Trust Account - 111 Subsidiary Trusts - Refer next sheet	35.06	0.12	14.37	20.81
PNG Rural Communications Project GOPNG T/A	0.14	0.00	0.00	0.14
Land Reform Program T/A	0.02	0.00	0.03	0.00
Central City Trust Account	26.95	0.00	0.00	26.95
Water Supply and Sanitation Development Project T/A - GoPNG	2.06	0.75	0.00	2.81
Multiple LNG Development Trust Account	3.10	2.05	1.73	3.42
PM & NEC APEC Operations (OP) Plan 2018 Trust Account	0.02	0.00	0.00	0.02
Bougainville Referendum Non-electoral Support Funds Operating Account	14.63	0.00	3.65	10.98
LNG Pipeline Infrastructure Development Grant (IDG) T/A (Kikori Area)	0.01	0.00	0.00	0.01
LNG Plant Infrastructure Development Grant (IDG) (Papa/Lealea)-TA	0.48	0.00	0.00	0.48
Comm.Water Transportation Fund - GoPNG (ADB 2079)	0.01	0.00	0.00	0.01
National Road Maintenance	0.05	0.00	0.00	0.05
Highlands Highway Rehabilitation T/A Subsidiary	0.05	0.00	0.00	0.05
Highlands Region Roads Improv Invest Prog GoPNG C/Part	0.05	0.00	0.00	0.05
Port Moresby Roads - Subsidiary Trust Account	0.32	0.00	0.00	0.32
Highlands Region Road Improvement Investment Program (HRRRIIP) Project (2) - GoPNG C/Part Fund Trust Account	0.01	0.00	0.00	0.01
Mendi Provincial HRRRIIP Project 2 - GoPNG C/part Fund	0.00	0.00	0.00	0.00
Mt Hagen Provincial HRRRIIP Project 2 - GoPNG C/part Fund	0.00	0.00	0.00	0.00
Sports Infrastructure Trust Account (2015 SP Games) - Sub	0.07	0.00	0.00	0.07
Department of Finance Infrastructure Project Trust A/C	0.24	0.00	0.11	0.14
Rural Service Delivery Project	2.39	18.56	18.43	2.53
SHHIP- Tranche 1 - GoPNG Counterpart Fund	2.29	0.50	0.89	1.90
SHHIP- Tranche 1 - GoPNG Counterpart Fund -EHP	0.70	0.55	0.76	0.50
SHHIP- Tranche 1 - GoPNG Counterpart Fund -WHP	0.00	0.00	0.00	0.00
SHHIP- Tranche 1 - GoPNG Counterpart Fund -Simbu	0.00	0.00	0.00	0.00
SHHIP- Tranche 1 - GoPNG Counterpart Fund -Morobe	0.00	0.00	0.00	0.00

Trust Account Name	Balance as at 1-Jan-24	Debit (Receipts)	Credit (Payments)	Balance as at 30-June-24
HRRIP GoPNG Counterpart Fund	0.05	0.00	0.00	0.05
2020 National Population & Housing Census Trust Account	1.56	2.52	4.06	0.02
Ihu Special Economic Zone	0.01	3.00	1.86	1.16
Government Commitment Trust Accounts	12.70	10.73	5.00	18.43
Office of State Negotiations Trust Account	4.60	4.50	8.28	0.83
Project Readiness Finance - GoPNG C/part Funds	0.00	5.96	1.28	4.68
SHHIP - Tranche 2 - GoPNG	0.00	0.50	0.00	0.50
Police Infrastructure Development Trust Account	0.00	0.42	0.00	0.42
Child Nutrition & Social Protection Program Trust Account - GoPNG	0.80	0.00	0.38	0.42
Magisterial Services Infrastructure Trust Account	0.00	15.79	0.00	15.79
Public Servants Housing Program	0.00	0.00	0.00	0.00
Digital HR Transformation Program	0.00	0.00	0.00	0.00
Universal Access and Service	46.70	1.12	0.00	47.81
Enhancing Labor Mobility from PNG Project - GoPNG C/part	0.00	0.00	0.00	0.00
Restoration and Development Grant Trust	8.29	63.50	71.75	0.04
PNG Fire Service Infrastructure Rehabilitation Program - (Public Investment Program) T/A	0.53	0.37	0.37	0.53
Tuition Fee Education Trust Account	88.86	425.94	431.03	83.77
Infrastructure Development (UBSA) Account	0.02	0.00	0.00	0.02
PNG High Impact Infrastructure Projects	0.02	0.00	0.00	0.02
2017 National General Election - Finance Procurement, Personnel and Logistics Trust Account	0.03	0.00	0.00	0.03
COVID-19 Emergency Trust Account	0.00	0.00	0.00	0.00
Coastal Vessels Account	0.14	0.00	0.00	0.14
Asia Pacific Economic Cooperation (APEC) Trust Account	0.00	0.00	0.00	0.00
Asia Pacific Economic Cooperation (APEC) Security Trust Account	0.00	0.00	0.00	0.00
Comm.Water Transport Proj. GoPNG C/Fund	3.12	0.60	0.12	3.61
Rural Airstrip Rehab.& Maintenance Program Special Acct	0.00	0.00	0.00	0.00
PNG LNG Additional State Equity Financing	0.70	0.00	0.00	0.70
Port Moresby Roads Trust Account	0.05	0.00	0.00	0.05
Kokopau to Arawa Road Upgrading and Bitumen Sealing T/A	0.04	0.00	0.00	0.04
Sports Infrastructure Trust Account (2015 SP Games) - Main	0.11	0.00	0.00	0.11
Health Service Sector Development Budget Support Trust Account	0.75	0.00	0.00	0.75
PNG's First Economic and Fiscal Resilience Development Policy TA	0.28	0.00	0.00	0.28
Trans East - West New Britain Highway T/A	0.07	0.00	0.00	0.07

Trust Account Name	Balance as at 1-Jan-24	Debit (Receipts)	Credit (Payments)	Balance as at 30-June-24
Connect PNG Economic Road Transport Infrastructure Dev. Prog. TA	1.20	0.00	0.00	1.20
Higher Education Loan Program Trust Account	16.95	0.32	13.85	3.43
2022 National General Election - Finance Procurement, Personnel and Logistics Trust Account	0.15	0.00	0.00	0.15
2024 National Population Census	0.00	29.01	1.75	27.26
European Union Support Prog. GoPNG C/P	3.31	0.06	1.08	2.29
Total	560.13	951.79	894.94	616.98

Source: Department of Finance.

Notes:

- i. Government Tuition Fee Subsidy (GTFS) Trust is not inclusive of its subsidiary trust accounts.
- ii. COVID-19 trust accounts receipts and expenses are inclusive of all its subsidiary accounts.
- iii. Many trust accounts did not incur expenses as most of them were restricted by the banks as per instructed by the Reform Team due to expired trust instruments or the bank accounts were dormant.

The opening balance of the budget funded trust accounts on 01st January 2024 was K560.1 million. Receipts into trust accounts as at 30th June 2024 totalled K951.8 million while expense incurred in this same period totalled K894.9 million. Therefore, the closing balance is K616.98 million as at 30th June 2024.

The following is a summary of expenditures above K5.0 million from budget funded trust accounts for the period 01st January to 30th June 2024.

- K431.0 million was expended from Tuition Fee Education Trust to specific GoPNG education institutions.
- K268.3 million was expended on the Government's Tuition Fee Subsidy (GTFS) program.
- K71.8 million was expended on Restoration and Development Grant trust.
- K19.3 million was expended on the Tuition Fee Subsidy Education – Commodity Component Trust.
- K18.4 million was expended on the Rural Service Delivery Project.
- K14.6 million was expended from the Covid Emergency Trust Account under Finance Instruction 11/2021 dated 04th November, 2023.
- K13.9 million was expended from Higher Education Loan Program for students applying for loans in institutions.
- K12.1 million was expended by Correctional Services Development Project.
- K8.3 million was expended on Office of State Negotiations Trust Account.
- K5.0 million was expended on the Government Commitment Trust Account to cater to the outstanding commitments of the Government.

Tables 21 and 22 show movement of funds among the COVID-19 Emergency Trust Accounts for the 89 District and 22 Provincial Trust accounts respectively for the period of 1st January to 30 June, 2024. From these accounts, a total of K14.4 million was expended by the end of June 2024. These COVID-19 balances consist of operational funds allowed under Finance Instruction 11/2021 dated 04th November, 2021.

Table 19: Movement of Funds in the COVID Emergency Trust Accounts for Provinces from 01st January – 30th June 2024 (Kina, million)

Provincial Subsidiary Account	Bal as at 01 Jan 2024	Receipts	Payments	Bal as at 30 th June 2024
COVID -19 Emergency Trust Account – Enga	0.03	0	0.03	0
COVID -19 Emergency Trust Account – Hela	0.28	0	0	0.28
COVID -19 Emergency Trust Account – SHP	0	0	0	0
COVID -19 Emergency Trust Account – Western	1.54	0	0	1.54
COVID -19 Emergency Trust Account – WHP	0.09	0	0	0.09
COVID -19 Emergency Trust Account – EHP	0.09	0	0.14	-0.05
COVID -19 Emergency Trust Account – Morobe	0	0	0	0
COVID -19 Emergency Trust Account – Madang	-0.01	0.01	0	0
COVID -19 Emergency Trust Account – ESP	0.37	0	0	0.37
COVID -19 Emergency Trust Account – WSP	0.09	0	0	0.09
COVID -19 Emergency Trust Account – Milne Bay	-0.01	0.01	0	0
COVID -19 Emergency Trust Account – Oro	3.71	0	0	3.71
COVID -19 Emergency Trust Account – NCD	0.01	0	0	0.01
COVID -19 Emergency Trust Account – Central	0	0	0	0
COVID -19 Emergency Trust Account – ENB	1.49	0	0	1.49
COVID -19 Emergency Trust Account – WNB	0	0	0	0
COVID -19 Emergency Trust Account – New Ireland	0.25	0	0	0.25
COVID -19 Emergency Trust Account – Jiwaka	0.07	0	0	0.07
COVID -19 Emergency Trust Account – Simbu	0	0	0	0
COVID -19 Emergency Trust Account – Manus	1.87	0	1.39	0.48
COVID -19 Emergency Trust Account – Gulf	0.92	0	0.92	0
COVID -19 Emergency Trust Account – ABG	0.02	0	0	0.02
TOTAL OF COVID-19 PROVINCIAL TRUSTS	10.8	0.02	2.47	8.35

Source: Department of Finance.

Table 20: Movement of Funds in the COVID Emergency Trust Accounts for Districts from 01st January – 30th June 2024 (Kina, million)¹²

District Subsidiary Accounts	Bal as at 01 Jan 2024	Receipts	Payments	Bal as at 30 th June 2024
COVID -19 Emergency Trust Account – Middle Fly District	1.18	0.00	0.00	1.18
COVID -19 Emergency Trust Account – North Fly District	0.00	0.00	0.00	0.00
COVID -19 Emergency Trust Account – South Fly District	0.03	0.00	0.00	0.03
COVID -19 Emergency Trust Account – Kerema District	0.43	0.00	0.00	0.43
COVID -19 Emergency Trust Account – Kikori District	0.00	0.00	0.00	0.00
COVID -19 Emergency Trust Account – Goilala District	0.00	0.00	0.00	0.00

¹² Excludes the seven (7) new districts recently created since they came into existence after the COVID-19 pandemic outbreak.

District Subsidiary Accounts	Bal as at 01 Jan 2024	Receipts	Payments	Bal as at 30th June 2024
COVID -19 Emergency Trust Account – Rigo District	0.87	0.00	0.82	0.04
COVID -19 Emergency Trust Account – Abau District	0.00	0.00	0.00	0.00
COVID -19 Emergency Trust Account – Kairuku Hiri District	0.00	0.00	0.00	0.00
COVID -19 Emergency Trust Account – Moresby South District	0.00	0.00	0.00	0.00
COVID - 19 Emergency Trust Account – Moresby North East	0.45	0.00	0.00	0.45
COVID -19 Emergency Trust Account – Moresby North West	0.04	0.00	0.00	0.04
COVID -19 Emergency Trust Account – Kiriwina Goodenough District	0.00	0.00	0.00	0.00
COVID -19 Emergency Trust Account – Central Bougainville District	0.08	0.00	0.00	0.08
COVID -19 Emergency Trust Account – Esa’ala District	0.27	0.00	0.00	0.27
COVID -19 Emergency Trust Account – Samarai Murua District	0.00	0.00	0.00	0.00
COVID -19 Emergency Trust Account – Ijivitari District	0.01	0.00	0.00	0.01
COVID -19 Emergency Trust Account – Kagua Erave District	0.00	0.00	0.00	0.00
COVID -19 Emergency Trust Account – Imbongu District	0.38	0.00	0.00	0.38
COVID -19 Emergency Trust Account – Mendi District	0.00	0.00	0.00	0.00
COVID -19 Emergency Trust Account – Ialibu Pangia District	0.96	0.00	0.96	0.00
COVID -19 Emergency Trust Account – Nipa Kutubu District	0.00	0.00	0.00	0.00
COVID -19 Emergency Trust Account – Tari Pori District	0.39	0.00	0.33	0.05
COVID -19 Emergency Trust Account – Komo Magarima District	0.03	0.00	0.00	0.03
COVID -19 Emergency Trust Account – Koroba Kopiago District	0.55	0.00	0.00	0.55
COVID -19 Emergency Trust Account – South Bougainville District	0.00	0.00	0.00	0.00
COVID -19 Emergency Trust Account – Wabag District	0.11	0.00	0.00	0.11
COVID -19 Emergency Trust Account – Kandep District	0.01	0.00	0.01	0.00
COVID -19 Emergency Trust Account – Laiagap Porgera District	0.02	0.00	0.00	0.02
COVID -19 Emergency Trust Account – Wapenamanda District	0.00	0.00	0.00	0.00
COVID -19 Emergency Trust Account – Kompiam Ambum District	0.00	0.00	0.00	0.00
COVID -19 Emergency Trust Account – Tambul Nebilyer District	0.00	0.00	0.00	0.00
COVID -19 Emergency Trust Account – Mul Baiyer District	1.20	0.00	0.00	1.20
COVID -19 Emergency Trust Account – Dei District	0.03	0.00	0.00	0.03
COVID -19 Emergency Trust Account - Hagen District	0.00	0.00	0.00	0.00
COVID -19 Emergency Trust Account - North Waghi District	0.00	0.00	0.17	-0.17
COVID -19 Emergency Trust Account – Anglip South Waghi District	0.00	0.00	0.14	-0.14
COVID -19 Emergency Trust Account – Jimi District	0.00	0.00	0.00	0.00
COVID -19 Emergency Trust Account – Kerowagi District	0.00	0.00	0.00	0.00

District Subsidiary Accounts	Bal as at 01 Jan 2024	Receipts	Payments	Bal as at 30 th June 2024
COVID -19 Emergency Trust Account – Kundiawa/ Gembogl District	0.00	0.00	0.00	0.00
COVID -19 Emergency Trust Account – Sinesine Yongomul District	0.00	0.00	0.00	0.00
COVID -19 Emergency Trust Account – Karamui Nomane District	0.25	0.00	0.25	0.00
COVID -19 Emergency Trust Account – Gumini District	0.02	0.00	0.02	0.00
COVID -19 Emergency Trust Account – Chuave District	0.00	0.00	0.00	0.00
COVID -19 Emergency Trust Account – Daulo District	0.00	0.00	0.00	0.00
COVID -19 Emergency Trust Account – Goroka District	-0.06	0.06	0.00	0.00
COVID -19 Emergency Trust Account – Ungai Bena District	0.24	0.00	0.24	0.00
COVID -19 Emergency Trust Account – Henganofi District	0.00	0.00	0.00	0.00
COVID -19 Emergency Trust Account – Lufa District	0.00	0.00	0.00	0.00
COVID -19 Emergency Trust Account – Okapa District	0.00	0.00	0.00	0.00
COVID -19 Emergency Trust Account – Kainantu District	0.00	0.00	0.00	0.00
COVID -19 Emergency Trust Account – Obura Wonenara District	0.01	0.00	0.01	0.00
COVID -19 Emergency Trust Account – Tewai Siasi District	0.60	0.00	0.00	0.60
COVID -19 Emergency Trust Account – Markham District	0.88	0.00	0.00	0.88
COVID -19 Emergency Trust Account – Huon Gulf District	0.05	0.00	0.00	0.05
COVID -19 Emergency Trust Account – Lae District	0.00	0.00	0.00	0.00
COVID -19 Emergency Trust Account – Kabwum District	0.02	0.00	0.00	0.02
COVID -19 Emergency Trust Account – Bulolo District	0.00	0.00	0.00	0.00
COVID -19 Emergency Trust Account - Minyamya District	0.00	0.00	0.00	0.00
COVID -19 Emergency Trust Account – Finchafen District	0.05	0.00	0.00	0.05
COVID -19 Emergency Trust Account – Nawaeb District	0.20	0.00	0.00	0.20
COVID -19 Emergency Trust Account – Middle Ramu District	-0.02	0.03	0.01	0.00
COVID -19 Emergency Trust Account – Rai Coast District	0.17	0.00	0.17	0.00
COVID -19 Emergency Trust Account – Madang District	1.72	0.00	1.72	0.00
COVID -19 Emergency Trust Account – Bogia District	0.00	0.00	0.00	0.00
COVID -19 Emergency Trust Account – Usino Bundi District	0.02	0.00	0.00	0.02
COVID -19 Emergency Trust Account – Sumkar District	0.00	0.00	0.00	0.00
COVID -19 Emergency Trust Account – Yangoru Saussia District	0.01	0.00	0.00	0.01
COVID -19 Emergency Trust Account – Wewak District	1.44	0.00	0.00	1.44
COVID -19 Emergency Trust Account – Wosera Gawi District	0.01	0.00	0.00	0.01
COVID -19 Emergency Trust Account - Ambunti Dreikir District	0.35	0.00	0.29	0.06
COVID -19 Emergency Trust Account – Maprik District	0.00	0.00	0.00	0.00

District Subsidiary Accounts	Bal as at 01 Jan 2024	Receipts	Payments	Bal as at 30 th June 2024
COVID -19 Emergency Trust Account – Angoram District	1.32	0.00	0.00	1.32
COVID -19 Emergency Trust Account – Telefomin District	0.02	0.00	0.00	0.02
COVID -19 Emergency Trust Account – Vanimo Green District	0.00	0.00	0.00	0.00
COVID -19 Emergency Trust Account – Nuku District	0.25	0.00	0.00	0.25
COVID -19 Emergency Trust Account – Aitape Lumi District	0.00	0.00	0.00	0.00
COVID -19 Emergency Trust Account – Manus District	0.52	0.00	0.00	0.52
COVID -19 Emergency Trust Account – Kavieng District	6.41	0.00	6.41	0.00
COVID -19 Emergency Trust Account – Namatanai District	0.00	0.00	0.00	0.00
COVID -19 Emergency Trust Account – Pomio District	0.06	0.00	0.04	0.02
COVID -19 Emergency Trust Account – Rabaul District	1.33	0.00	0.30	1.03
COVID -19 Emergency Trust Account – Gazelle District	0.12	0.00	0.00	0.12
COVID -19 Emergency Trust Account – Kokopo District	0.26	0.00	0.00	0.26
COVID -19 Emergency Trust Account – Talasea District	0.00	0.00	0.00	0.00
COVID -19 Emergency Trust Account – Kandrian Gloucester District	0.76	0.00	0.00	0.76
COVID -19 Emergency Trust Account – North Bougainville District	0.01	0.00	0.00	0.01
COVID-19 Emergency Trust Account – Sohe District	0.17	0.00	0.00	0.17
COVID-19 Emergency Trust Account – Alotau District	0.01	0.00	0.00	0.01
TOTAL OF COVID-19 DISTRICT TRUSTS	24.26	0.10	11.90	12.46
TOTAL OF ALL COVID-19 TRUSTS	35.06	0.12	14.37	20.81

Source: Department of Finance

1.7 FINANCING

In the 2024 Budget, the total net borrowing required was K3,983.8 million. The Government planned to finance this deficit comprising K1,663.4 million in external borrowing and K2,320.4 million in domestic borrowing.

2024 Net Financing

During the first half of 2024, total net borrowing was K776.7 million, comprising K311.1 million in external net repayment and K1,087.8 million in net domestic borrowing. This reflects the slower disbursements of existing project loans and no new external borrowing executed in the first half of the year. Most of the external financing is expected to be received in the second half of the year. The financing was funded through domestic securities (Treasury Bonds) and through the TAF arrangement. Of this, part of it was used to finance a portion of the 2023 cheque floats and 2023 cash transfers that were brought forward into 2024. The remaining required financing of K3,257.7 million will be funded through external financing of K2,025.2 million and domestic issuances of K1,232.5 million.

The Government anticipates commencing negotiations and signing new external loans earmarked for this year in the second half of the year. This will meet the required external financing appropriations. The external net repayment in the first half of the year reflects the Government's continued and firm commitment to quickly service its debt obligations. There were no new loans contracted apart from slow drawdowns of the existing project loans. Concessional loans obtained from multilateral development partners and bilateral support are anticipated to pick up in the second half of the year as projected.

The net domestic financing of K1,087.8 million in the first half of 2024 is about 47.0 percent of the K2,320.4 million projected in the 2024 Budget. This is on track to meet the required domestic financing appropriations for 2024. The Government anticipates utilising the proceeds from external budget support financing to smooth out the spikes in the domestic debt maturity profile.

Table 21: Summary of Net Borrowing 2023 – 2024 (Kina, million)

	2023 Outcome	2024 Original Budget	2024 June Outturn	2024 MYEFO
NET FINANCING				
Net Domestic Borrowing	2,176.2	2,320.4	1,087.8	2,320.4
Net External Borrowing	2,087.7	1,663.4	-311.1	1,663.4
Parity Change ³				
Total Net Financing	4,263.8	3,983.7	776.7	3,983.7
Deficit	4,935.0	3,983.7	776.7	3,983.7

Source: Department of Treasury

External Financing

In the first half of 2024, external principal repayments totalled K714.0 million or 49 per cent of the budgeted appropriations of K1,462.1 million. These comprise principal repayments of concessional loans (ADB, China) and commercial loans for infrastructure projects, including the budget support loans from the Australian Government.

Total concessional loan drawdowns for the first half of the year totalled K403.2 million or 39.0 per cent of the budgeted projection of K1,025.8 million. There were no drawdowns of existing commercial and extraordinary loans in the first half of the year. Extraordinary loans represent all budget support loans, proceeds of which are expected to come in the second half of the year after Government meets respective policy targets. The Government anticipates that the respective projects will continue to drawdown from concessional and commercial loans in the second half of the year to match the appropriated amount by the end of the year.

Apart from the existing project loan disbursements, the external extraordinary loans for budget support include USD100.0 million (K390.0 million) from World Bank Development Policy Operations, USD100.0 million (K390.6 million) from the Asian Development Bank (ADB) and USD252.4 million (K985.9 million) from IMF Budget Support (ECF&EFF).

Table 22: External Borrowing 2023– 2024 (Kina, million)

	2023 Outcome	2024 Original Budget	2024 June Outturn	2024 MYEFO
New External Borrowing	3,172.4	3,125.5	403.2	3,125.5
Securities	0.0	0.0	0.0	0.0
Concessional Financing	1,033.0	1,025.8	403.2	1,025.8
Commercial Financing	0.0	188.0	0.0	188.0
Exceptional Financing	2,139.4	1,911.7	0.0	1,911.7
Repayment of Principal	-1,084.7	-1,462.1	-714.0	-1,462.1
Net External Borrowing	2,087.7	1,663.4	-311.1	1,663.4

Source: Department of Treasury

Domestic Financing

During the first half of 2024, gross domestic borrowing totalled K9,250.4 million or 42.0 per cent of the 2024 budgeted amount of K22,120.7 million. Principal repayments totalled K8,162.5 million or 41.0 per cent of the 2024 budget estimate. This resulted in a net borrowing of K1,087.8 million. The increase in net domestic borrowing reflected the need to raise sufficient funds domestically to support priority expenditures through the issuance of weekly Treasury Bills and Treasury Bonds.

Treasury Bills recorded a net repayment of K207.7 million. This was due to the higher volume of repayments, reflecting the short duration of the Treasury Bill portfolio roll-overs. The increase in net borrowing from Treasury Bonds of K1,377.6 million was to raise funds for priority expenditure in particular to raise sufficient funds to settle large coupon and maturity payments totalling K1,032.9 million that were due in February and May this year.

Table 23: Domestic Borrowing 2023 – 2024 (Kina, million)

	2023 Outcome	2024 Original Budget	2024 June Outturn	2024 MYEFO
New Domestic Borrowing	18,013.0	22,120.7	9,250.4	22,120.7
Treasury Bills Financing	14,912.2	17,716.0	6,839.9	17,716.0
Inscribed Stocks Financing	3,078.1	4,300.9	2,410.5	4,300.9
Loans	22.7	103.8	0.0	103.8
Repayment of Principal	-15,836.8	-19,800.3	-8,162.5	-19,800.3
Treasury Bills Maturities	-14,562.0	-17,893.6	-7,047.6	-17,893.6
inscribed Stocks Maturities	-1,133.1	-1,740.7	-1,032.9	-1,740.7
Loans	-141.8	-166	-82.1	-166
Net Domestic Borrowing	2,176.2	2,320.4	1,087.8	2,320.4

Source: Department of Treasury

1.8 PUBLIC DEBT AND CONTINGENT LIABILITIES

Public Debt

As at the end of June 2024, domestic debt was K30,798.2 million. This was an increase of K1,087.8 mil or 3.7 per cent compared to the 2023 outcome, but is K1,232.6 million or 3.8 per cent lower than the 2024 Budget estimate of K32,030.8 million.

External debt was K27,922.3 million at the end of June 2024. There was a net reduction of K311.0 million from the 2023 outcome of K28,233.3 million reflecting an overall net repayment in the first six (6) months of 2024.

Total Public Debt as at end June 2024 was K58,720.5 million or 47.6 per cent of GDP. This is an increase of K776.8 million or 1.3 per cent compared to the 2023 outcome. Without adjustments to the deficit and based on this outturn, the public debt is expected to reach K61,927.6 million or 50.2 per cent of GDP by end 2024. The projected debt level is within the prescribed debt to GDP limit of 57.5 per cent of the FRA (as amended 2024).

Table 24: Central Government Debt 2023-2024 (Kina, million)

	2023 Outcome	2024 Budget	2024 June Outturn	2024 MYEFO
Domestic	29,710.4	32,030.8	30,798.2	32,030.8
Treasury Bills	14,139.4	13,961.8	13,931.8	13,961.8
Inscribed Stock	14,528.4	17,088.6	15,906.0	17,088.6
Loans	1,042.5	980.4	960.5	980.4
<i>Domestic Debt as % GDP</i>	26.7%	26.1%	25.0%	26.0%
External	28,233.3	29,896.8	27,922.2	29,896.8
International Agencies (Concessional)	11,986.7	12,240.0	11,873.1	12,240.0
Commercial Loans	162.1	308.0	140.6	308.0
Extraordinary	13,079.8	14,344.0	12,903.8	14,344.0
Securities	1,760.6	1,760.6	1,760.6	1,760.6
Monetary Gold & SDR	1,244.1	1,244.1	1,244.1	1,244.1
<i>External Debt as % GDP</i>	25.4%	24.4%	22.7%	24.2%
Total Public Debt Outstanding	57,943.7	61,927.6	58,720.4	61,927.6
As % GDP	52.0%	50.5%	47.6%	50.2%
GDP	111,350.8	122,519.1	123,419.1	123,419.1

Source: Department of Treasury

The MYEFO column, external stock take into the valuation are based on the current projected exchange rates.

Contingent Liabilities

The external loan guarantees shown in Table 28 below are in various stages of reconciliation. They are likely to remain with minimal amounts as explained in the notes to the Contingent Liabilities table.

Table 25: Contingent Liabilities (Domestic & External Loan Guarantees) (Kina, million)

Borrowers	Financial Institution/Lender	Loan Details/Purpose	Currency	Currencies	Closing Balance 31 Dec 2023	Closing Balance as at 31 Dec 2023	Opening Balance as at 01 Jan 2024	Principal Amt paid/Guarantee completed	Adjustments/Revaluations during the	Interest amount paid	Balance Outstanding as at 30/06/2024	Kina
				('000)	('000)		('000)	('000)	('000)	('000)	('000)	(K'000)
Borrowers	Domestic Lenders											
Innovative Agro-Industry Ltd	Bank South Pacific	Central Dairy Limited (CDL-2016)-Ilimo Farm	PGK	56,000.00	53,399.00	53,399.00	53,399.00				53,399.00	53,399.00
Kumul Consolidated Holdings Ltd	Bank South Pacific	Motukea Port Relocation (2016)	PGK	600,000.00	600,000.00	600,000.00	600,000.00			16,996,438.35	600,000.00	600,000.00
Total Domestic Guarantees												653,399
	Foreign Lenders											
Pacific Aviation Safety Office	Asian Development bank	PASO Loan Guarantee	AUD	1,978.61	767.61	1,958.19	767.61	42.73		5.68	724.88	1,847
MRDC Pty Ltd & MRL Pty. Ltd		Finance Contract Agreement - 26.04.95	EUR	21,000.00	21,000.00	86,634	21,000.00				21,000.00	86,349
MRDC Pty Ltd		Finance Contract Agreement - 28.06.96	EUR	25,000.00	25,000.00	103,135	25,000.00				25,000.00	102,796
Telikom PNG Ltd		Agreement 27.07.95	USD	26,282.05	26,282.05	97,958	26,282.05				26,282.05	101,085
Independent Public Business Corp.		State Equity Financing for PNG LNG	USD	1,825,484.78	1,825,484.78	6,803,894	1,825,484.78				1,825,484.78	7,021,095
Independent Public Business Corp.		Counter Guarantee for PNG LNG	USD	268,037.00	268,037.00	999,020	268,037.00				268,037.00	1,030,912
Total Overseas Guarantees												8,344,083
TOTAL DOMESTIC & OVERSEAS Guarantees						8,745,997.69						8,997,482

Notes

- Motukea Port Relocation by KCH remains as a guarantee on this Statement until there is an explicit agreement to state otherwise.
 - ✓ Discussions with KCH have commenced week ending 15/03 for this guarantee to be converted to a loan and have On-lending agreement in place. State has already paid K100.0 million+ in interest for this guarantee.
- Total loan amount provided to CDL & IAI is K112.0 million. State guaranteed only 50% of this

1.9 RISKS TO THE MID-YEAR ECONOMIC AND FISCAL OUTLOOK

Some of the key risks to the 2024 mid-year economic and fiscal outlook include:

Macroeconomic Risks:

- Escalation in geopolitical tensions, such as the Russia-Ukraine war and the Middle-East conflict, could further affect global supply chains leading to increases in international commodity prices. Oil and gold prices are subject to volatility with the price of gold being at an all-time high. Higher oil prices could lead to inflationary pressures and lower investments in the domestic economy affecting growth and employment.
- Weaker global growth could reduce demand for exports and in turn adversely affect government fiscal revenue.
- Domestic instability and turmoil like the Black Wednesday civil unrest could further affect foreign direct investment and government structural reforms and the growth agenda.
- Severe natural disasters (earthquakes, droughts, landslides, etc.) can affect agriculture and resource sector output, negatively impacting GDP, exports, and fiscal revenue and increase inflation.
- Worsening law and order problems and the shortage of forex and fuel may adversely

impact non-resource sector growth.

- Cross-currency movements that quicken the pace of the managed exchange rate depreciation more than anticipated could lead to higher inflationary pressures, affect input prices of production, and affect labour force productivity.

Fiscal Risks:

- Lower revenue collections against budget projections will affect the budget's fiscal position and financing plans.
- Complacent fiscal management including failure to control COE and contingency funds for natural disasters will add further pressure on the fiscal position and undermine the 2024 Budget fiscal parameters.

Financial Risks:

- Additional Exposure through debt guarantees and contingent liabilities that could be made worse depending on the currencies used and the rate of the depreciation of the kina relative to foreign currencies.
- Heavy reliance on external loans could affect repayments through reduced foreign reserves if the Kina continues to depreciate against major currencies although additional external loans will build up foreign reserves and introduce more Kina into the country.
- An increase in external and domestic interest rates could increase debt service and refinancing risks, thereby putting pressure on the government to cut spending.

Given global risks, the Government will continue to:

- Promote a non-resource growth agenda that is sustainable;
- Adjust the pace of fiscal consolidation to suit the pace of growth and inflation affecting the domestic economy;
- Increase public investment in critical sectors of the economy;
- Support additional expenditure in the case of natural disaster events; and
- Strengthen the monetary and fiscal levers to counter inflationary pressures.

1.10 FISCAL OUTTURN TABLES

TABLE 1: STATEMENT OF OPERATIONS FOR THE GENERAL GOVERNMENT¹ (KINA, MILLIONS)

Kina Million	2023 Actuals	2024 Budget	June Outturn	2024 MYEFO	Budget Variance
TRANSACTIONS AFFECTING NET WORTH:					
Revenue	19,810.0	23,393.8	8,981.5	22,930.8	-463.0
Taxes	17,626.9	18,694.8	7,986.2	18,707.7	13.0
<i>Taxes on Income, profits, and capital gains</i>	11,730.4	12,455.5	5,111.3	12,515.6	60.1
<i>Taxes on payroll and workforce</i>	2.0	1.2	0.2	1.2	0.0
<i>Taxes on goods and services</i>	5,227.0	5,349.2	2,510.1	5,452.1	102.9
<i>Taxes on international trade and transactions</i>	667.6	888.8	364.6	738.8	-150.0
Grants	1,158.6	2,205.0	578.2	2,205.0	0.0
Other Revenue	1,024.4	2,494.1	417.2	2,018.0	-476.0
<i>Dividends</i>	479.7	1,150.0	210.0	1,150.0	0.0
<i>Non-Tax Revenue (Statutory Transfers)</i>	457.7	1,248.0	165.0	772.0	-476.0
<i>Fees and Charges</i>	91.7	96.1	42.2	96.0	0.0
<i>SWF Inflows</i>	0.0	0.0	-	0.0	0.0
<i>Interest & Fees from Lending</i>	0.0	0.0	0.0	0.0	0.0
Resource Revenue	4,309.2	4,450.0	1,490.3	4,550.0	100.0
<i>Mining and Petroleum Taxes</i>	3,906.5	3,550.0	1,280.3	3,650.0	100.0
<i>Mining, Petroleum and Gas Dividends</i>	402.6	900.0	210.0	900.0	0.0
<i>Transfer from the Stabilization Fund (SWF)</i>	0.0	0.0	0.0	0.0	0.0
<i>Revenue as percentage of GDP</i>	17.8%	19.1%	7.3%	18.6%	-0.5%
Total Expenditure and lending	24,614.4	27,377.5	10,904.1	26,914.4	-463.0
<i>Expense as percentage of GDP</i>	22.1%	22.3%	8.8%	21.8%	-0.5%
Expense²	20,965.6	22,117.4	9,239.3	22,660.8	543.3
Compensation of employees	6,934.2	6,933.6	3,264.1	7,396.5	462.9
Use of goods and services	6,911.4	7,072.6	2,418.1	7,153.0	80.4
Interest	2,761.3	2,968.8	1,396.5	2,968.8	0.0
Grants	4,289.4	5,033.5	2,105.5	5,033.5	0.0
Social benefits	0.0	100.4	0.0	100.4	0.0
Other expense	69.3	8.6	55.2	8.6	0.0
Net Acquisition of Non-Financial Assets*	3,648.8	5,260.1	1,664.8	5,417.5	157.4
Fixed Assets	3,648.8	5,260.1	1,664.8	5,417.5	157.4
Policy Adjustments Required**	0.0	0.0	0.0	-1,163.8	-1,163.8
Gross Operating Balance³	-1,155.6	1,276.4	-257.8	270.0	-1,006.4
Net Lending (+) / Net Borrowing (-)	-4,804.4	-3,983.7	-1,922.6	-3,983.6	0.0
<i>Net lending/borrowing as percentage of GDP</i>	-4.3%	-3.3%	-1.6%	-3.2%	0.0%
Primary Balance ⁴	-2,043.1	-1,014.9	-526.1	-1,014.8	0.0
Non-resource net lending (+)/borrowing (-)	-9,113.6	-8,433.7	-3,412.9	-8,533.6	-100.0
Non-resource primary balance	-6,352.3	-5,464.9	-2,016.4	-5,564.8	-100.0
<i>Non-resource primary balance as percentage of Non-resource GDP</i>	-7.7%	-6.1%	-2.3%	-6.3%	-0.1%
Transactions in financial assets and liabilities	4,804.4	3,983.8	1,922.6	3,983.7	0.0
Net Acquisition of Financial Assets	-540.6	0.0	-1,145.8	0.0	0.0
Domestic***	-540.6	0.0	-1,145.8	0.0	0.0
External	0.0	0.0	0.0	0.0	0.0
Net Incurrence of Liabilities	4,263.8	3,983.8	776.7	3,983.7	0.0
Domestic	2,176.1	2,320.4	1,087.8	2,320.4	0.0
<i>Debt securities: Treasury bills</i>	350.2	-177.6	-207.6	-177.6	0.0
<i>Debt securities: Treasury bonds</i>	1,945.0	2,560.2	1,377.6	2,560.2	0.0
Loans	-119.1	-62.2	-82.1	-62.2	0.0
External	2,087.7	1,663.4	-311.1	1,663.5	0.0
<i>Monetary gold and special drawing rights (SDR's)</i>	0.0	0.0	0.0	0.0	0.0
<i>Debt securities: Sovereign bonds</i>	0.0	0.0	0.0	0.0	0.0
Loans	2,087.7	1,663.4	-311.1	1,663.5	0.0
Gross Debt Stock	57,943.7	61,927.6	58,720.5	61,927.6	0.0
<i>Debt as % of GDP</i>	52.0%	50.5%	47.6%	50.2%	0.0%
Gross Domestic Product⁵	111,350.8	122,519.1	123,419.1	123,419.1	123,419.1
Non-resource GDP	82,124.6	90,018.5	88,755.8	88,755.8	88,755.8

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.

**Inclusive of even split of K581.9m each for unallocated expenditure cuts requiring policy adjustments for both operational and capital expenditure

***Cash Balances carry over from 2021 as well as from the first six months of 2022 held under the WPA and DRA.

**TABLE 2: STATEMENT OF SOURCES AND USES OF CASH FOR THE GENERAL GOVERNMENT¹
(KINA, MILLIONS)**

Kina Million	2023 Actuals	2024 Budget	June Outturn	2024 MYEFO	Budget Variance
CASH FLOWS FROM OPERATING ACTIVITIES					
Revenue Cash Flows	18,651.3	21,318.8	8,403.3	20,855.8	-463.0
Taxes	17,626.9	18,694.8	7,986.2	18,707.7	13.0
Grants	0.0	130.0	0.0	130.0	0.0
Other Revenue	1,024.4	2,494.1	417.2	2,018.0	-476.0
<i>Revenue as percentage of GDP</i>	<i>16.8%</i>	<i>17.4%</i>	<i>6.8%</i>	<i>16.9%</i>	<i>-0.5%</i>
Expense cash flows²	19,591.5	17,762.6	9,179.9	18,305.9	543.4
Compensation of employees	6,718.7	5,261.9	3,204.6	5,724.8	462.9
Uses of goods and services	6,911.4	6,694.9	2,418.1	6,775.3	80.4
Interest	2,761.3	2,968.8	1,396.5	2,968.8	0.0
Grants	3,130.8	2,828.4	2,105.5	2,828.4	0.0
Other payments	69.3	8.6	55.2	8.6	0.0
Out of scope for GFS coding purposes*	0.0	0.0	0.0	0.0	0.0
<i>Expense as percentage of GDP</i>	<i>17.6%</i>	<i>14.5%</i>	<i>7.4%</i>	<i>14.8%</i>	<i>0.3%</i>
Net cash inflow from operating activities	-940.1	3,556.3	-776.5	2,549.8	-1,006.4
CASH FLOWS FROM TRANSACTIONS IN NONFINANCIAL ASSETS:					
Net cash outflow from investment in nonfinancial assets	3,648.8	5,260.1	1,664.8	5,417.5	157.4
Fixed assets	3,648.8	5,260.1	1,664.8	5,417.5	157.4
Inventories	0.0	0.0	0.0	0.0	0.0
Valuables	0.0	0.0	0.0	0.0	0.0
Nonproduced assets	0.0	0.0	0.0	0.0	0.0
Expenditure cash flows	23,240.3	23,022.7	10,844.7	23,723.4	700.8
Policy Adjustments Required*	0.0	0.0	0.0	-1,163.8	-1,163.8
Cash surplus (+) / Cash deficit (-)	-4,588.9	-1,703.8	-2,441.3	-1,703.8	0.0
<i>Surplus/Deficit as percentage of GDP</i>	<i>-4.1%</i>	<i>-1.4%</i>	<i>-2.0%</i>	<i>-1.4%</i>	<i>0.0%</i>
CASH FLOWS FROM TRANSACTIONS IN FINANCIAL ASSETS AND LIABILITIES (FINANCING):	4,263.8	3,983.8	-369.1	3,983.9	0.0
Net acquisition of financial assets other than cash	0.0	0.0	-1,145.8	0.0	0.0
Domestic	0.0	0.0	-1,145.8	0.0	0.0
External	0.0	0.0	0.0	0.0	0.0
Net incurrence of liabilities	-4,263.8	-3,983.8	-776.7	-3,983.9	0.0
Domestic	2,176.1	2,320.4	1,087.8	2,320.4	0.0
External	2,087.7	1,663.4	-311.1	1,663.5	0.0
Net cash inflow from financing activities	-4,263.8	-3,983.8	369.1	-3,983.9	0.0
<i>Net cash inflow as percentage of GDP</i>	<i>-3.8%</i>	<i>-3.3%</i>	<i>0.3%</i>	<i>-3.2%</i>	<i>0.0%</i>
Net change in the stock of cash	-8,852.7	-5,687.6	-2,072.3	-5,687.7	0.0
Gross Domestic Product³	111,350.8	122,519.1	123,419.1	123,419.1	123,419.1

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.

* Inclusive of even split of K581.9m each for unallocated expenditure cuts requiring policy adjustments for both operational and capital expenditure

TABLE 3: GENERAL GOVERNMENT REVENUE ECONOMIC CLASSIFICATION (KINA, MILLIONS)

Kina Million	2023 Actuals	2024 Budget	June Outturn	2024 MYEFO	Budget Variance
REVENUE¹	19,810.0	23,393.8	8,981.5	22,930.8	-463.0
TAXES	17,626.9	18,694.8	7,986.2	18,707.7	13.0
Taxes on Income, Profits and Capital Gains	11,730.4	12,455.5	5,111.3	12,515.6	60.1
Payable by individuals	4,149.8	4,341.0	2,174.8	4,399.0	58.0
Personal Income Tax	4,149.8	4,341.0	2,174.8	4,399.0	58.0
Payable by corporations and other enterprises	7,002.2	7,391.4	2,596.2	7,391.4	0.0
Company Tax	3,031.6	3,761.2	1,274.6	3,661.2	-100.0
Mining and Petroleum Taxes	3,906.5	3,550.0	1,280.3	3,650.0	100.0
Royalties Tax	38.4	52.7	24.8	52.7	0.0
Management Tax	25.6	27.5	16.5	27.5	0.0
Other taxes on income, profits and capital gains	578.3	723.1	340.3	725.2	2.0
Dividend Withholding Tax Mining	0.0	0.0	0.0	0.0	0.0
Dividend Withholding Tax Non Mining	375.2	496.0	216.7	496.0	0.0
Non-Resident Insurers Withholding Tax	189.3	7.3	4.1	7.3	0.0
Interest Withholding Tax	11.6	219.6	118.9	219.6	0.0
Tax Related Court Fines	0.0	0.0	0.0	0.0	0.0
Sundry IRC Taxes & Income	2.2	0.2	0.7	2.2	2.0
Taxes on Payroll and Workforce	2.0	1.2	0.2	1.2	0.0
Training Levy	2.0	1.2	0.2	1.2	0.0
Taxes on Goods and Services	5,227.0	5,349.2	2,510.1	5,452.1	102.9
General taxes on goods and services	3,617.5	3,282.7	1,552.5	3,529.4	246.7
Value Added Tax	3,598.6	3,236.4	1,510.3	3,436.4	200.0
GST²	3,598.6	3,236.4	1,510.3	3,436.4	200.0
GST Collection at Provinces	2,937.8	2,426.8	1,170.7	2,887.9	461.1
GST Collection at Ports	1,499.8	1,713.1	714.4	1,665.6	-47.5
GST Refunds	839.0	903.5	374.8	1,117.1	213.6
GST from IRC Trust	0.0	0.0	0.0	0.0	0.0
Sales taxes	0.0	0.0	0.0	0.0	0.0
Turnover & other general taxes on goods and services	0.0	0.0	0.0	0.0	0.0
Taxes on financial and capital transactions	18.9	46.3	42.2	93.0	46.7
Bank Account Debit Fees	0.0	0.0	0.0	0.0	0.0
Stamp Duties	18.9	46.3	42.2	93.0	46.7
Excise	1,224.1	1,626.4	774.5	1,496.4	-130.0
Excise Duty	896.5	1,326.4	523.2	1,096.4	-230.0
Import Excise	327.6	300.0	251.3	400.0	100.0
Profits of fiscal monopolies	0.0	0.0	0.0	0.0	0.0
Taxes on specific services	364.6	419.2	179.4	412.1	-6.1
Bookmakers' Turnover Tax	15.9	47.1	9.7	47.1	0.0
Gaming Machine Turnover Tax	341.5	358.1	167.5	358.1	-0.0
Departure Tax	7.1	13.0	2.3	7.0	-6.0
Taxes on use of goods and on permission to use goods or perform activities	3.9	0.1	0.1	4.0	3.9
Motor vehicles taxes	3.8	0.0	0.0	3.8	3.8
Motor Vehicle Registration	3.8	0.0	0.0	3.8	3.8
Commercial Vehicle Licenses	0.0	0.0	0.0	0.0	0.0
Other taxes on use of goods and on permission to use goods or perform activities	0.1	0.1	0.1	0.1	0.0
Bookmakers' Licenses	0.0	0.0	0.0	0.0	0.0
Coastal Trading Licenses	0.1	0.0	0.1	0.1	0.1
Registration of Vessels	0.0	0.0	0.0	0.0	0.0
Inflammable Liquid	0.0	0.0	0.0	0.0	0.0
Trade Licenses	0.0	0.0	0.0	0.0	0.0
Motor Vehicle Trade Licenses	0.0	0.1	0.0	0.0	-0.1
Other taxes on goods and services	16.9	21.8	3.5	10.2	-11.6
Sundry Taxes (Customs)	16.9	21.8	3.5	10.2	-11.6
Taxes on International Trade and Transactions	667.6	888.8	364.6	738.8	-150.0
Customs and other import duties	386.2	455.0	212.1	455.0	0.0
Import Duty	386.2	455.0	212.1	455.0	0.0
Taxes on exports	281.4	433.8	152.5	283.8	-150.0
Export Tax	281.4	433.8	152.5	283.8	-150.0
GRANTS	1,158.6	2,205.0	578.2	2,205.0	0.0
From Foreign Governments	892.1	1,775.4	465.6	1,775.4	0.0
Current	713.7	1,622.2	0.0	1,622.2	0.0
Cash	0.0	130.0	0.0	130.0	0.0
In-Kind	713.7	1,492.2	0.0	1,492.2	0.0
Capital	178.4	153.2	465.6	153.2	0.0
Cash	0.0	0.0	0.0	0.0	0.0
In-Kind	178.4	153.2	465.6	153.2	0.0
From International Organizations	266.6	429.6	112.6	429.6	0.0
Current	213.3	396.4	0.0	396.4	0.0
Cash	0.0	0.0	0.0	0.0	0.0
In-Kind	213.3	396.4	0.0	396.4	0.0
Capital	53.3	33.2	112.6	33.2	0.0
Cash	0.0	0.0	0.0	0.0	0.0
In-Kind	53.3	33.2	112.6	33.2	0.0
OTHER REVENUE	1,024.4	2,494.1	417.2	2,018.0	-476.0
Property Income	517.8	1,246.0	232.8	1,219.3	-26.7
Interest	0.0	0.0	0.0	0.0	0.0
Dividends	479.7	1,150.0	210.0	1,150.0	0.0
Mining Petroleum and Gas Dividends	402.6	900.0	210.0	900.0	0.0
Dividends from Statutory Authorities	77.1	0.0	0.0	0.0	0.0
Shares in Private Enterprise	0.0	0.0	0.0	0.0	0.0
Dividends from State Owned Enterprises	0.0	250.0	0.0	250.0	0.0
Other Dividends	0.0	0.0	0.0	0.0	0.0
Withdrawals from income of quasi-corporations	0.0	0.0	0.0	0.0	0.0
Property income from investment income disbursements	0.0	0.0	0.0	0.0	0.0
Rent	38.1	96.0	22.8	69.3	-26.7
Land Lease Rental	37.9	91.0	22.8	68.0	-23.0
Petroleum Prospecting Licenses	0.2	5.0	0.0	1.3	-3.7
Reinvested earnings on foreign direct investment	0.0	0.0	0.0	0.0	0.0
Sales of goods and services	21.4	0.0	3.6	0.7	0.7
Sales by market establishments	0.0	0.0	0.0	0.0	0.0
Administrative fees	7.0	0.0	1.8	0.7	0.7
Incidental sales by nonmarket establishments	14.4	0.0	1.8	0.0	-0.0
Imputed sales of goods and services	0.0	0.0	0.0	0.0	0.0
Fines, penalties, and forfeits	2.1	0.0	0.3	0.0	-0.0
Sheriffs Fees and Poundage	0.0	0.0	0.0	0.0	0.0
Judicial Fines	0.0	0.0	0.0	0.0	0.0
Fines - Criminal	0.0	0.0	0.0	0.0	0.0
District Courts Fines	2.0	0.0	0.2	0.0	-0.0
Forfeitures & Court Bails	0.1	0.0	0.0	0.0	0.0
Transfers not elsewhere classified	483.0	1,248.0	180.6	798.0	-450.0
Current transfers not elsewhere classified	483.0	1,248.0	180.6	798.0	-450.0
Subsidies	0.0	0.0	0.0	0.0	0.0
Other current transfers	483.0	1,248.0	180.6	798.0	-450.0
Payroll Commission	25.4	0.0	14.2	26.0	26.0
State Services and Statutory Authority	452.9	1,248.0	165.0	772.0	-476.0
Credit Guarantee Scheme	0.0	0.0	1.5	0.0	0.0
Sundry/Other Income	4.7	0.0	0.0	0.0	0.0
Capital transfers not elsewhere classified	0.0	0.0	0.0	0.0	0.0
Premiums, fees and claims related to nonlife insurance and standardised guar	0.0	0.0	0.0	0.0	0.0

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 4: GENERAL GOVERNMENT EXPENSE BY ECONOMIC CLASSIFICATION (KINA, MILLIONS)

Kina Million	2023 Actuals	2024 Budget	June Outturn	2024 MYEFO	Budget Variance
Compensation of Employees	6,934.2	6,933.6	3,264.1	7,396.5	462.9
Wages and salaries	6,117.7	6,155.0	2,959.9	6,617.9	462.9
Wages and salaries in cash	5,902.2	5,994.2	2,900.5	6,457.1	462.9
Wages and salaries in kind	215.5	160.8	59.4	160.8	0.0
Employers' social contributions	816.5	778.6	304.2	778.6	0.0
Actual social contributions	816.5	778.6	304.2	778.6	0.0
Use of goods and services*	6,911.4	7,072.6	2,418.1	7,153.0	80.4
Use of goods and services	6,911.4	7,072.6	2,418.1	7,153.0	80.4
Use of goods and services	6,911.4	7,072.6	2,418.1	7,153.0	80.4
Interest**	2,761.3	2,968.8	1,396.5	2,968.8	0.0
To nonresidents	792.7	998.4	475.0	998.4	0.0
Interest to Non residents	792.7	998.4	475.0	998.4	0.0
To residents other than general government	1,968.6	1,970.4	921.5	1,970.4	0.0
Interest to residents other than general governments	1,968.6	1,970.4	921.5	1,970.4	0.0
Grants***	4,289.4	5,033.4	2,105.5	5,033.5	0.1
Grants to other general government units	4,289.4	5,033.4	2,105.5	5,033.5	0.1
Grants to other general governments current	3,749.9	4,561.4	1,785.5	4,561.5	0.1
Grants to other general governments capital	539.5	472.0	320.0	472.0	0.0
Social Benefits	0.0	100.4	0.0	100.4	0.0
Social assistance benefits	0.0	100.4	0.0	100.4	0.0
Social assistance benefits in cash	0.0	100.4	0.0	100.4	0.0
Other expenses	69.3	8.6	55.2	8.6	0.0
Transfers not elsewhere classified	69.3	8.6	55.2	8.6	0.0
Other expense - Current transfers not elsewhere classified	69.3	8.6	55.2	8.6	0.0
Net Acquisition Nonfinancial assets****	3,648.8	5,260.1	1,664.8	5,417.5	157.4
Nonproduced assets	0.0	7.9	0.0	7.9	0.0
NFA: Intangible nonproduced assets	0.0	7.9	0.0	7.9	0.0
NFA: Land	0.0	0.0	0.0	0.0	0.0
Acquisition of Fixed assets	3,648.8	5,252.2	1,664.8	5,409.6	157.4
NFA: Buildings and structures	726.7	808.9	267.1	809.4	0.5
NFA: Dwellings	0.0	2.5	0.0	2.0	-0.5
Building other than dwellings	0.0	67.4	0.0	67.4	
NFA: Fixed assets	2,310.7	3,185.2	1,099.0	3,342.6	157.4
NFA: Information, computer, & telecommunications equipment	44.2	93.1	27.0	93.1	0.0
NFA: Machinery & equipment other than transport equipment	24.0	50.6	8.1	50.6	0.0
NFA: Other structures	2.7	21.6	0.0	21.6	0.0
NFA: Transport equipment	19.0	39.8	3.4	39.8	0.0
Other expense - Current transfers not elsewhere classified	521.5	983.1	260.2	983.1	0.0
Policy Adjustments Required****	0.0	0.0	0.0	-1,163.8	-1,163.8

Source: Department of Treasury

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

** Excludes 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.

****Reflects policy adjustments to be taken. This is inclusive of even split of K581.9m each for policy intervention/adjustments for both operational and

TABLE 5: GENERAL GOVERNMENT EXPENSE BY AGENCY TYPE AND ECONOMIC CLASSIFICATION (KINA, MILLIONS)

Kina Million	2023 Actuals	2024 Budget	June Outturn	2024 MYEFO	Budget Variance
National Departments	9,330.7	11,327.2	4,372.8	11,477.9	150.7
Compensation of Employees	2,519.8	2,749.2	1,111.3	2,662.1	-87.1
Wages and salaries	1,806.6	2,027.2	851.6	1,940.1	-87.1
Wages and salaries in cash	1,712.8	1,930.5	826.7	1,843.4	-87.1
Wages and salaries in kind	93.8	96.7	24.9	96.7	0.0
Employers' social contributions	713.2	722.0	259.7	722.0	0.0
Actual social contributions	713.2	722.0	259.7	722.0	0.0
Use of goods and services	4,569.2	4,300.6	1,234.6	4,381.0	80.4
Use of goods and services	4,569.2	4,300.6	1,234.6	4,381.0	80.4
Use of goods and services	4,569.2	4,300.6	1,234.6	4,381.0	80.4
Grants	1,011.3	2,425.4	1,313.7	2,425.4	0.0
Grants to other general government units	1,011.3	2,425.4	1,313.7	2,425.4	0.0
Grants to other general governments current	1,011.3	2,425.4	1,313.7	2,425.4	0.0
Grants to other general governments capital	0.0	0.0	0.0	0.0	0.0
Other expenses	64.2	1.1	53.9	1.1	0.0
Transfers not elsewhere classified	64.2	1.1	53.9	1.1	0.0
Other expense - Current transfers not elsewhere classified	64.2	1.1	53.9	1.1	0.0
Net Acquisition Nonfinancial assets	1,166.2	1,810.8	659.3	1,968.2	157.4
Nonproduced assets	0.0	7.9	0.0	7.9	0.0
NFA: Intangible nonproduced assets	0.0	7.9	0.0	7.9	0.0
NFA: Land	0.0	0.0	0.0	0.0	0.0
Acquisition of Fixed assets	1,166.2	1,802.9	659.3	1,960.3	157.4
NFA: Buildings and structures	0.0	2.5	0.0	2.5	0.0
NFA: Dwellings	0.0	1.7	0.0	1.7	0.0
NFA: Fixed assets	1,130.9	1,705.9	652.8	1,863.3	157.4
NFA: Information, computer, & telecommunications equipment	11.2	45.7	2.3	45.7	0.0
NFA: Machinery & equipment other than transport equipment	8.5	11.5	2.9	11.5	0.0
NFA: Other structures	0.0	3.6	0.0	3.6	0.0
NFA: Transport equipment	15.6	32.0	1.3	32.0	0.0
Social Benefits	0.0	40.1	0.0	40.1	0.0
Social assistance benefits in cash	0.0	40.1	0.0	40.1	0.0
Provincial Governments	6,152.0	5,039.6	2,384.5	5,514.6	475.0
Compensation of Employees	2,291.4	2,145.0	1,128.0	2,620.0	475.0
Wages and salaries	2,237.0	2,144.2	1,119.3	2,619.2	475.0
Wages and salaries in cash	2,237.0	2,144.2	1,119.3	2,619.2	475.0
Wages and salaries in kind	54.4	0.8	8.7	0.8	0.0
Employers' social contributions	0.4	0.0	1.5	0.0	0.0
Actual social contributions	0.4	0.0	1.5	0.0	0.0
Use of goods and services	754.4	486.4	519.8	486.4	0.0
Use of goods and services	754.4	486.4	519.8	486.4	0.0
Use of goods and services	754.4	486.4	519.8	486.4	0.0
Grants	3,039.0	2,358.7	715.3	2,358.7	0.0
Grants to other general government units	3,039.0	2,358.7	715.3	2,358.7	0.0
Grants to other general governments current*	2,548.5	1,926.7	425.3	1,926.7	0.0
Grants to other general governments capital	490.5	432.0	290.0	432.0	0.0
Net Acquisition Nonfinancial assets	66.8	49.5	20.0	49.5	0.0
Acquisition of Fixed assets	66.8	49.5	20.0	49.5	0.0
NFA: Fixed assets	0.0	49.5	20.0	49.5	0.0
NFA: Buildings and structures	66.8	0.0	0.0	0.0	0.0
Autonomous Bougainville Government	454.8	415.1	179.7	415.1	0.0
Compensation of Employees	148.2	140.7	73.3	140.7	0.0
Wages and salaries	148.2	140.7	73.3	140.7	0.0
Wages and salaries in cash	138.4	140.7	71.3	140.7	0.0
Wages and salaries in kind	9.8	0.0	1.9	0.0	0.0
Employers' social contributions	0.0	0.0	0.0	0.0	0.0
Actual social contributions	0.0	0.0	0.0	0.0	0.0
Use of goods and services	104.0	100.0	34.4	100.0	0.0
Use of goods and services	104.0	100.0	34.4	100.0	0.0
Use of goods and services	104.0	100.0	34.4	100.0	0.0
Grants	108.4	74.4	30.0	74.4	0.0
Grants to other general government units	108.4	74.4	30.0	74.4	0.0
Grants to other general governments current	59.4	34.4	0.0	34.4	0.0
Grants to other general governments capital	49.0	40.0	30.0	40.0	0.0
Net Acquisition Nonfinancial assets	94.0	100.0	42.0	100.0	0.0
Fixed Assets	94.0	100.0	42.0	100.0	0.0
Commercial & Statutory Authorities	3,716.0	4,126.5	1,579.9	4,201.5	75.0
Compensation of Employees	1,974.4	1,893.7	950.0	1,973.7	75.0
Wages and salaries	1,871.5	1,842.1	907.1	1,917.1	75.0
Wages and salaries in cash	1,814.0	1,778.8	883.1	1,853.8	75.0
Wages and salaries in kind	57.5	63.3	23.9	63.3	0.0
Employers' social contributions	102.9	56.6	43.0	56.6	0.0
Actual social contributions	102.9	56.6	43.0	56.6	0.0
Use of goods and services	1,004.2	1,256.5	391.2	1,256.5	0.0
Use of goods and services	1,004.2	1,256.5	391.2	1,256.5	0.0
Use of goods and services	1,004.2	1,256.5	391.2	1,256.5	0.0
Grants	130.7	174.9	46.5	174.9	0.0
Grants to other general government units	130.7	174.9	46.5	174.9	0.0
Grants to other general governments current	130.7	174.9	46.5	174.9	0.0
Other expenses	5.1	7.5	1.3	7.5	0.0
Transfers not elsewhere classified	5.1	7.5	1.3	7.5	0.0
Other expense - Current transfers not elsewhere classified	5.1	7.5	1.3	7.5	0.0
Net Acquisition Nonfinancial assets	601.6	728.6	190.8	728.6	0.0
Acquisition of Fixed assets	601.6	728.6	190.8	728.6	0.0
NFA: Buildings and structures	0.0	3.0	0.0	3.0	0.0
Building other than dwellings	0.0	67.4	0.0	67.4	0.0
NFA: Dwellings	0.0	0.3	0.0	0.3	0.0
NFA: Fixed assets	580.0	585.9	172.1	585.9	0.0
NFA: Machinery & equipment other than transport equipment	15.5	39.1	5.2	39.1	0.0
NFA: Other structures	2.7	2.0	18.0	2.0	0.0
NFA: Transport equipment	3.4	7.8	2.1	7.8	0.0
NFA: Information, computer, and telecommunications (ICT) equipment	0.0	7.1	11.3	7.1	0.0
Social Benefits	0.0	60.3	0.0	60.3	0.0
Social assistance benefits	0.0	60.3	0.0	60.3	0.0
Out of scope for GFS coding purposes	0.0	0.0	0.0	0.0	0.0
Debt Service (Interest Payment)	2,769.7	3,050.8	1,405.9	3,050.8	0.0
Use of goods and services	8.4	82.0	9.4	82.0	0.0
Use of goods and services	8.4	82.0	9.4	82.0	0.0
Interest	2,761.3	2,968.8	1,396.5	2,968.8	0.0
To nonresidents	792.7	998.4	475.0	998.4	0.0
Interest to Non residents	792.7	998.4	475.0	998.4	0.0
To residents other than general government	1,968.6	1,970.4	921.5	1,970.4	0.0
Interest to residents other than general governments	1,968.6	1,970.4	921.5	1,970.4	0.0
Out of scope for GFS coding purposes	0.0	0.0	0.0	0.0	0.0
Out of scope for GFS coding purposes	0.0	0.0	0.0	0.0	0.0
Out of scope for GFS coding purposes	0.0	0.0	0.0	0.0	0.0
Expenditure supported by donor grants	1,158.6	2,205.0	578.2	2,205.0	0.0
Use of goods and services	392.3	754.4	197.8	754.4	0.0
Use of goods and services	392.3	754.4	197.8	754.4	0.0
Net Acquisition Nonfinancial assets	766.3	1,450.6	380.4	1,450.6	0.0
Acquisition of Fixed assets (Buildings and Structures)	766.3	1,450.6	380.4	1,450.6	0.0
NFA: Fixed assets	265.0	501.6	131.5	501.6	0.0
Other expense - Current transfers not elsewhere classified	501.3	949.0	248.8	949.0	0.0
Expenditure financed by concessional loans	1,032.8	1,213.3	403.2	1,213.3	0.0
Use of goods and services	78.9	92.7	30.8	92.7	0.0
Use of goods and services	78.9	92.7	30.8	92.7	0.0
Net Acquisition Nonfinancial assets	953.9	1,120.6	372.4	1,120.6	0.0
Acquisition of Fixed assets (Buildings and Structures)	953.9	1,120.6	372.4	1,120.6	0.0
NFA: Buildings and structures	659.9	803.9	267.1	803.9	0.0
NFA: Fixed assets	240.8	242.3	80.5	242.3	0.0
NFA: Information, computer, & telecommunications equipment	35.0	40.3	13.4	40.3	0.0
NFA: Machinery & equipment other than transport equipment	0.0	0.0	0.0	0.0	0.0
Other expense - Current transfers not elsewhere classified	20.2	34.1	11.3	34.1	0.0
Policy Adjustments Required*	0.0	0.0	0.0	-1,163.8	-1,163.8
Total expenditure as % of GDP	24,614.6	27,377.6	10,904.3	26,914.6	-463.0
	22.1%	22.3%	8.8%	21.8%	-0.4%

Source: Department of Treasury

*Reflects policy adjustments to be taken. This is inclusive of even split of K581.9m each for policy intervention/adjustments for both operational and capital expenditures

TABLE 6: TRANSACTIONS IN ASSETS AND LIABILITIES FOR GENERAL GOVERNMENT¹
(KINA, MILLIONS)

Kina Million	2023 Actuals	2024 Budget	June Outturn	2024 MYEFO	Budget Variance
Net Acquisition of Financial Assets	-540.6	0.0	-1,145.8	0.0	0.0
Domestic	-540.6	0.0	-1,145.8	0.0	0.0
Currency and deposits	-540.6	0.0	-1,145.8	0.0	0.0
Other accounts receivable	0.0	0.0	0.0	0.0	0.0
External	0.0	0.0	0.0	0.0	0.0
Net Incurrence of Liabilities	4,263.8	3,983.8	776.7	3,983.7	-0.1
Domestic	2,176.1	2,320.4	1,087.8	2,320.4	0.0
Monetary gold and special drawing rights (SDR's)	0.0	0.0	0.0	0.0	0.0
Currency and deposits	0.0	0.0	0.0	0.0	0.0
Debt securities	2,295.2	2,382.6	1,169.9	2,382.6	0.0
New instruments	17,990.3	22,016.9	9,250.4	22,016.9	0.0
Amortisation	-15,695.1	-19,634.3	-8,080.5	-19,634.3	0.0
Treasury Bills	350.2	-177.6	-207.6	-177.6	0.0
New instruments	14,912.2	17,716.0	6,839.9	17,716.0	0.0
Amortisation	-14,562.0	-17,893.6	-7,047.6	-17,893.6	0.0
Treasury Bonds	1,945.0	2,560.2	1,377.6	2,560.2	0.0
New instruments	3,078.1	4,300.9	2,410.5	4,300.9	0.0
Amortisation	-1,133.1	-1,740.7	-1,032.9	-1,740.7	0.0
Loans	-119.1	-62.2	-82.1	-62.2	0.0
New borrowing	22.7	103.8	0.0	103.8	0.0
Amortisation	-141.8	-166.0	-82.1	-166.0	0.0
Insurance, pension, and standardized guarantee schemes	0.0	0.0	0.0	0.0	0.0
Financial derivatives and employee stock options	0.0	0.0	0.0	0.0	0.0
Other accounts payable	0.0	0.0	0.0	0.0	0.0
External	2,087.7	1,663.4	-311.1	1,663.4	0.0
Monetary gold and special drawing rights (SDR's)	0.0	0.0	0.0	0.0	0.0
Currency and deposits	0.0	0.0	0.0	0.0	0.0
Debt securities	0.0	0.0	0.0	0.0	0.0
New instruments	0.0	0.0	0.0	0.0	0.0
Amortisation	0.0	0.0	0.0	0.0	0.0
Holdings gains and losses*	0.0	0.0	0.0	0.0	0.0
Concessional financing	0.0	0.0	0.0	0.0	0.0
New instruments	0.0	0.0	0.0	0.0	0.0
Amortisation	0.0	0.0	0.0	0.0	0.0
Commercial financing	0.0	0.0	0.0	0.0	0.0
New instruments	0.0	0.0	0.0	0.0	0.0
Amortisation	0.0	0.0	0.0	0.0	0.0
Extraordinary financing	0.0	0.0	0.0	0.0	0.0
New instruments	0.0	0.0	0.0	0.0	0.0
Amortisation	0.0	0.0	0.0	0.0	0.0
Loans	2,087.7	1,663.4	-311.1	1,663.4	0.0
New borrowing	3,172.4	3,125.5	403.2	3,125.5	0.0
Amortisation	-1,084.7	-1,462.1	-714.3	-1,462.1	0.0
Concessional financing	212.3	253.3	-113.6	253.3	0.0
New borrowing	1,033.0	1,025.8	403.2	1,025.8	0.0
Amortisation	-820.7	-772.5	-516.7	-772.5	0.0
Commercial financing	-40.3	145.9	-21.5	145.9	0.0
New borrowing	0.0	188.0	0.0	188.0	0.0
Amortisation	-40.3	-42.1	-21.5	-42.1	0.0
Extraordinary financing	1,915.7	1,264.2	-176.1	1,264.2	0.0
New borrowing	2,139.4	1,911.7	0.0	1,911.7	0.0
Amortisation	-223.7	-647.5	-176.1	-647.5	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 of 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. In GFS holding gains and losses are not regarded transactions but other economic flows.

TABLE 7: STOCKS OF GENERAL GOVERNMENT DEBT¹

Kina Million	2023 Actuals	2024 Budget	June Outturn	2024 MYEFO	Budget Variance
Domestic	29,710.4	32,030.8	30,798.2	32,030.8	0.0
Debt securities	28,667.8	31,050.4	29,837.7	31,050.4	0.0
<i>Treasury Bills</i>	14,139.4	13,961.8	13,931.8	13,961.8	0.0
<i>Treasury Bonds</i>	14,528.4	17,088.6	15,906.0	17,088.6	0.0
Loans	1,042.6	980.4	960.5	980.4	0.0
<i>Guarantees</i>	1,042.6	980.4	960.5	980.4	0.0
External	28,233.3	29,896.8	27,922.3	29,896.8	0.0
Monetary Gold & Special Drawing Rights (SDR)	1,244.1	1,244.1	1,244.1	1,244.1	0.0
Debt securities	1,760.6	1,760.6	1,760.6	1,760.6	0.0
<i>Concessional financing</i>	0.0	0.0	0.0	0.0	0.0
<i>Commercial financing</i>	0.0	0.0	0.0	0.0	0.0
<i>Extraordinary financing</i>	1,760.6	1,760.6	1,760.6	1,760.6	0.0
Loans	25,228.6	26,892.0	24,917.6	26,892.0	0.0
<i>Concessional financing</i>	11,986.7	12,240.0	11,873.2	12,240.0	0.0
<i>Commercial financing</i>	162.1	308.0	140.6	308.0	0.0
<i>Extraordinary financing</i>	13,079.8	14,344.0	12,903.7	14,344.0	0.0
Total Central Government Debt	57,943.7	61,927.6	58,720.5	61,927.6	0.0
<i>Total debt as percentage of GDP</i>	52.0%	50.5%	47.6%	50.2%	0.0%
Gross Domestic Product²	111,350.8	122,519.1	123,419.1	123,419.1	123,419.1

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: Treasury Department.

PART 2: MID – YEAR EXPENDITURE

2.1 FUNDED EXPENDITURE SINCE THE 2023 BUDGET

The 2024 Budget was framed within the Government’s 13-Year Budget Repair Plan with a total expenditure envelope of K27,377.5 million (excluding debt amortisation) (see Table 35).

The revised 2024 Budget expenditure envelope of K27,377.5 million is comprised of K16,570.3 million in the operational budget and K10,807.2 million for the capital investment budget. The revised budget includes all transfers done in the first half of 2024. Of the K10,807.2 million in the capital investment budget, K2,205.0 million and K 1,213.8 million are funded by donor grants and concessional loans respectively. Total GoPNG expenditure envelope is K23,958.7 million (excludes expenditure funded by concessional loans and donor grants).

As at end of June, total warrants issued was K10,946.7 million or 40.0 per cent against the revised budget of K27,377.5 million. Of which, a total of K10,771.5 million or 39.3 per cent was expended. Warrants for the Operational Budget were at 42.5 per cent (K7,041.7 million), from which a total of K6,752.0 million or 95.9 per cent was expended. Warrants for CoE were at 38.8 per cent (K2,734.4 million) against the revised budget. However CoE expenditure was K3,249.4 million or 46.1 per cent, which is K515.0 million or 18.8 per cent above the warrants at the end of June against the revised Budget. Warrants for Goods & Services (G&S) and Functional Grants are approximately at pro-rata, with the latter tracking slightly above. For GST & BMT transfers to provinces, June Outturn expenditure is tracking at K81.6 million or 9.1 per cent against the revised budget estimate.

Table 26: Summary of 2024 Budget and Outcomes by Expenditure Type (Kina, million)

Expenditure by Fund Source*	2024 Budget	2024 Revised Budget	Warrant Authorized	June Outcome	Exp/RBUD	Exp/Wa
Operational	16,677.7	16,570.3	7,041.7	6,752.0	40.7%	95.9%
Compensation of Employees**	7,034.3	7,046.4	2,734.4	3,249.4	46.1%	118.8%
Goods & Services	5,057.0	4,937.4	2,459.5	1,748.2	35.4%	71.1%
Function Grants	638.1	638.1	335.8	266.9	41.8%	79.5%
Debt (Interest Repayment)	3,050.8	3,050.8	1,512.0	1,405.9	46.1%	93.0%
GST & BMT Transfers	897.6	897.6	0.0	81.6	9.1%	0.0%
Capital Investment	10,699.8	10,807.2	3,905.0	4,152.2	38.4%	106.3%
GoPNG PIP	6,101.0	6,208.4	3,106.0	2,377.8	38.3%	76.6%
SIP	1,180.0	1,180.0	799.0	793.0	67.2%	99.2%
Concessional Loans	1,213.8	1,213.8	0.0	403.2	33.2%	0.0%
Donor Grants	2,205.0	2,205.0	0.0	578.2	26.2%	0.0%
Grand Total	27,377.5	27,377.5	10,946.7	10,904.1	39.8%	98.4%

Source: Department of Treasury

*GST & BMT Transfers, Concessional Loans and Donor Grants are executed independent of warrants. Also, salaries can run without warrants.

**COE exclude salaries for NSO 2024 census under PIP.

While expenditure as of June outturn is at 39.8 per cent (below pro-rata target), the expenditures are targeted for the Government’s key priority areas, in line with overarching policies presented in the 2024 Budget. Some of these targeted expenditures include enhancing the rural sector through the Government’s District and Provincial Support Improvement Programs, the Connect PNG Infrastructure Program, National Population Census, prioritizing education spending through the Government Tuition Fee Subsidy Program (GTFS) and Higher Education Loans Programs (HELP).

Operational Budget

The Operational Budget was initially appropriated K16,677.7 million and was revised down by a net of K107.4 million to K16,570.3 million during the first half of 2024 and reappropriated to the Capital Investment Budget. The re-allocation was necessary to cater for critical capital investment programs largely at the subnational level. A total of K6,752.0 million or 40.7 per cent of the revised Operational Budget was expended as at end June. Priority expenditure under the Operational Budget includes: education and health sectors, and miscellaneous expenditure that relate to the administration sector, largely to support the efficient function of specific government programs.

Compensation of Employees (CoE)

CoE is the largest expenditure item under the operational budget. In 2024 fiscal year, CoE was initially budgeted K7,034.3 million and was revised up by a net of K12.2 million (0.2 per cent).

The total CoE expenditure in the first half of the year amounted to K3,249.4 million or 46.1 per cent when compared with the Revised 2024 Budget of K7,046.4 million. CoE incorporates the normal fortnightly wages and salaries for public servants, including newly recruited teachers, village court officials' monthly wages, health workers, and law enforcement personnel (police and defence). This includes the final entitlements for 272 retirees for batch one (1) of the 2024 Retirement process, totalling K17.0 million that was paid early this year.

The June outturn reflects major expenditures under salaries & allowances (K1,511.1 million), retirement benefits, pensions, gratuities and retrenchment (K304.2 million), and teacher's salaries (K1,026.3 million).

Table 27: Compensation of Employees (CoE) by Item Types (Kina, million)

CoE Items	2023 Actuals	2024 Budget	June Outcome	2024 MYEFO	Outturn as a % of Budget	Variance (Budget vs Outcome)
Salaries & Allowances (National Depts)	1,425.1	1,689.8	711.9	1,466.5	42.1%	977.9
Salaries & Allowances (Non-PHA CSAs)	906.2	968.8	420.2	865.6	43.4%	548.6
Salaries & Allowances (PHAs)	718.2	614.3	370.9	764.1	60.4%	243.4
Teachers' Salaries (TSC)	2,032.8	1,813.3	1,026.3	2,224.2	56.6%	787.1
Retirement	816.5	858.5	304.2	889.0	35.4%	554.3
Staffing Grant	331.0	392.2	161.8	392.2	41.2%	230.4
Wages	311.1	297.6	117.5	297.6	39.5%	180.1
Members of Parliament	122.7	121.3	58.6	121.3	48.3%	62.8
Leave fares	151.3	160.0	48.8	221.8	30.5%	111.2
Other Expenditure	119.2	131.3	29.3	117.9	24.0%	99.8
Grand Total	6,934.10	7,047.2	3,251.6*	7,360.2	46.1%	3,795.7

Source: Department of Treasury

*COE include salaries for NSO 2024 census under PIP.

Salary expense for National Departments is tracking well and is within the mid-year estimate at 42.1 per cent. However, both teachers and PHA salaries are above pro-rata. Teachers' salaries for the first half of the year amounted to K1,026.3 million which is K119.7 million above the mid-year projection. PHA salaries & allowances for the first half of the year amounted to K370.9 million, which is K63.8 million above the mid-year pro-rata projection. Both of these categories recorded overruns in 2023. Without any intervention, this is likely to occur again in 2024. Overruns in these categories are due to several reasons including: misalignment between budget allocations and staff structures endorsed by DPM resulting in under-budgeting, inefficient and cumbersome processes for teacher's recruitment and management, poor controls on claiming of allowances and weak manpower data.

Goods & Services (G&S) and Functional Grants

G&S initial budget was K5,057.0 million and functional grants was K638.1 million, totalling K5,695.1 million. G&S total was revised down marginally by K119.6 million (2.4 per cent) to cater for critical capital projects.

While the G&S expenditure has been contained at K1,748.2 million or 35.4 per cent of the revised budget, warrants were frontloaded for a number of grants, particularly grants for health and education. These funds were frontloaded for the first half of the year. These grants ensure essential health services are delivered and schools operations for 2024 resumed as scheduled.

Table 30 below highlights the key Government priority expenditures in the first six (6) months.

Table 28: National Recurrent Priority Expenditures by Sectors as at 30th June 2024 (Kina, million)

Recurrent Priority Expenditure	2024 Budget	2024 Revised Budget	Warrant	June Outcome	Exp/RB	Exp/Wa
Education	135.0	985.9	551.3	493.0	50.0%	89.4%
Tertiary Edn Study Assistance Scheme [TESAS]	83.0	83.0	83.0	26.9	32.4%	32.4%
Higher Education Loan Program [HELP]	52.0	52.0	42.4	40.2	77.2%	94.7%
Government Tuition Fee Subsidy [GTFS]	0.0	850.9	425.9	425.9	50.1%	100.0%
Miscellaneous	1,392.3	1,412.1	634.7	572.2	40.5%	90.1%
State Share Contribution to Nambawan Supa - Automation	325.0	325.0	101.8	168.1	51.7%	165.2%
Multi-Departmental Office Accommodation	341.9	341.9	199.8	149.7	43.8%	74.9%
Multi-Departmental Utilities	225.4	225.4	161.8	111.8	49.6%	69.1%
General Unforeseen Expenditure	0.0	52.6	52.6	52.6	100.0%	100.0%
Nambawan Supa Exit Payments	200.0	200.0	78.8	50.0	25.0%	63.5%
Arrears	300.0	267.2	40.0	40.0	15.0%	100.0%
Health	418.0	419.5	181.9	173.8	41.4%	95.5%
Medical Supplies Procurement & Distribution	237.5	239.0	108.0	88.8	37.2%	82.2%
Port Moresby General Hospital	161.5	161.5	54.9	66.0	40.9%	120.2%
TB Drugs	10.0	10.0	10.0	10.0	100.0%	100.0%
HIV/Aids Treatment Drugs	9.0	9.0	9.0	9.0	99.9%	99.9%
Grand Total	1,945.3	2,817.6	1,368.0	1,238.9	44.0%	90.6%

Source: Department of Treasury

Expenditure in the Education Sector as at end-June is K493.0 million or 50.0 per cent of its revised allocation (see Table 30). This is at pro-rata, indicating the Government's commitment to achieving its goals of increasing accessibility to education, retention rates and achieving universal education.

Expenditure in the health sector as at end-June was K173.8 million or 41.4 per cent against a revised appropriation of K419.5 million. Despite the challenges faced in the health sector, this expenditure trend reflects the Government's continued commitment to deliver improved health services. The lengthy process to procure medical supplies and drugs from abroad is a major concern in the Health Sector. As a result, the expenditure for medical supplies and Port Moresby General Hospital are below pro-rata.

A total of K572.2 million or 40.5 per cent was spent from miscellaneous against its revised budget of K1,412.1 million. Notable expenditure from miscellaneous includes; the State Share Superannuation Contribution – Automation. This reflects the Government's commitment towards its employee's welfare by frontloading warrants for payment of the 8.4 per cent employer contribution.

Organisational Staffing & Personnel Emoluments Audit Committee (OSPEAC)

In the drive to maintain and minimize over expenditure in the CoE Budget, the Government through OSPEAC undertook activities in the first half of the year to efficiently manage the payroll. This includes reducing expenditure inefficiencies in the CoE budget and improving productivity.

The activities carried out by OSPEAC include: the Data Cleansing Forum; the Whole of Government retirement exercise (non-teachers); initial activities leading to upgrade of the Ascender payroll system; desktop analysis of staffing data for the Whole of Government; and reforms in the teacher's business process.

i. Data Cleansing Forum

The data cleansing forum was conducted on 29th April to 01st May 2024, which was led by the Department of Personal Management (DPM). This exercise is part of the Digital HR Transformation Program, which serves as the overarching policy to enhance the governance of the Ascender Payroll Integrated HR Payroll System.

ii. Whole of Government Retirement exercise (non-Teachers)

The current pool of unattached officers progressively contributes to the overruns in CoE, as these officers are on the payroll without being attached to existing positions. This is due to result of restructures or being medically unfit to perform duties. The retirement exercise aims to reduce the number of unattached officers in the payroll by progressing a batch of retirement every quarter.

In the first quarter of 2024, a total of 272 retirees exited the public sector at the cost of K17.5 million. The superannuation component for these retirees will be calculated by the superfunds and submitted for payments. The second batch of Retirement consist of 201 retirees who will be exiting the public service at the cost of K13.0 million.

iii. Desktop Analysis of the Staffing Data for Whole of Government

In 2024, the staffing and establishment reviews were facilitated through a desktop assessment and were guided by the data cleansing strategy. The data cleansing strategy involves importing sample payroll data into the training and capacity development environment. The data was then cleansed to assess three (3) major areas of concern that contribute to overruns. These three (3) areas are: cleansing of leave records, date of birth and gender.

Following the cleansing exercise, the current laws and legislations that govern personnel emoluments will be applied to the verified data. Subsequent to this, the data will be considered as cleansed data and will be loaded onto the systems production and live site.

A report on the above exercise will be submitted to Treasury. Based on the outcome of the exercise and as anticipated in the report, recommendations will be made for a project team to be established to progress the data cleansing exercise for all government agencies and provinces in the third quarter of 2024.

This cleansing exercise is in preparation for the payroll systems upgrade and will ensure the current payroll data is cleansed before it is imported into the upgraded platform.

iv. Initial Activities Leading to Upgrade of Ascender Payroll System

The current GoPNG payroll system is version 12. However, applications for the Ascender system have been upgraded to version 22, and the current version being used by GoPNG is obsolete. The outdated version results in 100.0 per cent chargeable support and development fees.

Upgrading the GoPNG version of the Ascender payroll system to version 22 will incorporate controls in the payroll system to monitor and minimise CoE overruns. In addition to this, the upgraded version will capture updated clauses and legal requirements regarding personnel emolument policy.

The Ascender system proponents, DayForce, provided an updated Master Service Agreement (MSA) to GoPNG in the second quarter of 2024. The actual upgrading of the system will take place once the MSA has been agreed to and signed.

v. Reforms in Teachers Business Process

The teachers' business process is currently administered by three (3) stakeholders. These are; Teaching Service Commission (TSC), Provincial Administrations and the Department of Education (DoE). In 2023, Treasury reviewed the teacher's business process. A report was furnished, highlighting grey areas with recommendations to address issues. During the review, 13 areas of concern were observed, of which *teachers' retirement* can be immediately addressed through the whole of government retirement exercise. The other areas of concern are structural and policy issues that will require agencies responsible for administering teacher's affairs to take charge.

vi. Teachers Retirement

The Government has now centralised the teacher's retirement payment process. This process is in contrast to the previous years where final entitlements were processed through the payroll without an actual appropriation, this in turn contributed to CoE overruns.

- The first batch of teachers' retirement consist of 116 retirees from five (5) provinces at a cost of K4.2 million (including final entitlements and repatriation cost). These payments are being processed;
- The second batch is pending clearance from the Teachers Service Commission (TSC). This batch will either be paid out towards the end of 2024 or in 2025.

vii. Implementation of Awards

The Government is committed to settling outstanding Memorandum of Agreements (MoA) signed between the State through DPM and respective unions such as those in the health, education and law & order sectors. To date, GoPNG has:

- settled the outstanding 3.0 per cent CPI adjustments for PNG Defense Force (2022-2024) at a cost of K14.3 million, which commenced in pay 5 of 2024; and
- processed the Teachers 3.0 per cent salary increment in pay period 14 (10th July 2024), at a cost of K119.3 million (Pay 1 of 2023 to pay 14 of 2024).

Arrears Verification Program Overview

In Decision No. 397/2020, the NEC initiated the Arrears Verification (AV) Program. This decision also established the Arrears Verification Committee (AVC) and its Secretariat. The NEC Decision mandated the inclusion of the Departments of Finance (DoF), Treasury (DoT),

National Planning (DNPM), and the Office of the State Solicitor (OSS) as members of the AVC.

The Committee’s primary responsibilities include:

- enforcing the provisions of the *Public Finances (Management) Act (PFMA) 1995*, the *National Procurement Act (NPA) 2018*, and the *Public Services (Management) Act (PSMA) 1995* related to procurement;
- clearing arrears (goods, works, and services vetted and endorsed for payment); and
- conducting awareness campaigns on procurement rules and laws across the public and private sectors.

The Arrears Program was initially appropriated K300.0 million in the 2024 Budget.¹³ This was revised down to K267.2 million to accommodate urgent unbudgeted Government priorities during the first half of the year. As at the end of June, total expenditure incurred was K40.0 million. This represents 15.0 per cent of the revised appropriation and 100.0 per cent of warrants issued.

During the first half of 2024, the AVC received a total of 73 arrears claims valued at K161.8 million through the departments of Finance, National Planning, Treasury or other Government agencies. AVC assessed and verified only 8 claims valued at K5.9 million. The remaining 65 claims valued at K155.9 million are yet to be verified.

As at the end of June, a total of 70 Claims (inclusive of 8 claims for 2024 and 62 from previous years) valued at K182.9 million have been assessed and verified. Of this, only 15 claims valued at K26.9 million were pre-endorsed by AVC and submitted to the Treasurer’s Office for approval to pay. Further to this, 55 of the 70 claims did not meet *PFMA* and *NPA* requirements.

In the first half of 2024, the Treasurer’s Office approved and paid a total of 20 pre-endorsed claims from previous years at a cost of K40.0 million.

In comparison, a total of 91 claims worth K134.0 million were received and K70.9 million were paid in the same reporting period of 2023. The decline in claims submitted reflects the stringent verification process undertaken by the AVC.

Table 29: Total Arrears Endorsed and Settled through the Arrears Vote 2024

	Claims Received & Vetted	Pre-endorsed Claims	Approved Claims	Pending Approval	Non-Compliant Claims
Number of Claims	70	15	20	15	55
Value of Claims	K161.7m	K26.9m	K40.0m	K26.9m	K155.9m

Source: Department of Treasury (AVC Database)

AVC Observations on Compliance with GoPNG Procurement Processes

Over its 4 years of operation, the AVC has identified numerous instances of non-compliance with procurement laws, public finance management regulations, and negligence by government agencies.

¹³ Under the operational budget, a further K100.0 million was allocated for Connect PNG arrears and K50.0 million for central government office arrears.

More than 60.0 per cent of the claims reviewed to date are from years prior to 2018, before the *National Procurement Act (NPA)* of 2018 was enacted. Approximately 90.0 per cent of these claims lacked the necessary procurement compliance mechanisms.

While the AVC focuses on resolving the substantial volume of state arrears resulting from government procurements, there is a critical need for nationwide awareness of the GoPNG procurement processes and requirements.

Table 30: 2024 GoPNG Expenditure by Sectors (Kina, million)

Expenditure by Sector	2024 Budget	2024 Revised Budget	June Outcome	Outturn as % of Budget	Variance (Revised Budget vs Outcome)
Administration	3,414.2	3,668.6	1,752.1	47.8%	1,916.5
Operational	1,210.2	1,435.7	548.7	38.2%	887.0
GoPNG PIP	2,204.0	2,232.9	1,203.4	53.9%	1,029.5
Provinces	4,551.1	2,700.8	1,391.4	51.5%	1,309.3
Operational	2,966.0	993.2	378.7	38.1%	614.5
GoPNG PIP	1,585.1	1,707.6	1,012.8	59.3%	694.8
Community & Culture	168.0	172.9	65.9	38.1%	107.0
Operational	92.0	98.9	39.6	40.0%	59.3
GoPNG PIP	76.0	74.0	26.3	35.5%	47.7
Economic	1,158.6	1,185.0	328.6	27.7%	856.4
Operational	377.6	401.4	165.3	41.2%	236.0
GoPNG PIP	781.0	783.6	163.3	20.8%	620.3
Education	1,791.8	2,989.7	1,462.9	48.9%	1,526.8
Operational	1,611.8	2,821.7	1,428.6	50.6%	1,393.1
GoPNG PIP	180.0	168.0	34.3	20.4%	133.7
Health	2,348.4	2,352.6	874.8	37.2%	1,477.9
Operational	1,813.5	1,831.3	848.9	46.4%	982.5
GoPNG PIP	534.9	521.3	25.9	5.0%	495.4
Law & Justice	1,925.7	2,050.8	760.9	37.1%	1,289.8
Operational	1,540.7	1,684.8	719.4	42.7%	965.3
GoPNG PIP	385.0	366.0	41.5	11.3%	324.5
Transport	1,364.0	1,364.0	651.0	47.7%	713.0
Operational	172.0	172.0	68.5	39.8%	103.5
GoPNG PIP	1,192.0	1,192.0	582.5	48.9%	609.5
Utilities	387.9	387.9	99.9	25.8%	287.9
Operational	44.9	44.9	19.0	42.4%	25.8
GoPNG PIP	343.0	343.0	80.9	23.6%	262.1
Debt Services	24,313.2	3,138.2	1,405.9	44.8%	1,732.4
Operational	24,313.2	3,138.2	1,405.9	44.8%	1,732.4
Miscellaneous	2,900.6	3,050.8	1,047.8	34.3%	2,003.0
Operational	2,900.6	3,050.8	1,047.8	34.3%	2,003.0
Grand Total	44,323.6	23,061.1	9,841.1	42.7%	13,220.0

Source: Department of Treasury and National Planning & Monitoring.

*2024 – The teachers' salaries component under Provincial sector was re-allocated to the Education sector to reflect its function.

** This table does not include Donor Grants, Concessional Loans & GST & BMT Transfers.

The Administration sector incurred the biggest expense (K1,752.1 million) to cater for priority programs such as 2024 National Census (K115.4 million), District Infrastructure Development Program (Kina-for-Kina) (K409.0 million) and District Infrastructure Development Program (K279.8 million).

The Education sector expended K1,462.7 million which catered for the Government Tuition Fee Subsidy (GTFS) program and other school assistance scheme programs for higher education institutions (TESAS). Provincial expenditure totalled K1,391.4 million which accounted for Provincial and District Support Improvement Program funding while major expenditures under the Miscellaneous vote (K1,047.8 million), catered for other Government key priorities (see Table 40 below for the details)

Table 31: Miscellaneous Expenditure

Miscellaneous	2024 Budget	Revised 2024 Budget	June Outturn
Education Fee Free Subsidy*	-	850.9	425.9
State Share Contribution to Nambawan Supa - Automation	325.0	325.0	168.1
Multi-Departmental Office Accommodation	341.9	341.9	149.7
Multi-Departmental Utilities	225.4	225.4	111.8
General Unforeseen Expenditure	-	52.6	52.6
Nambawan Supa Exit Payments	200.0	200.0	50.0
Arrears	300.0	267.2	40.0
Foreign Missions	20.0	20.0	20.0
Court Cases	30.0	30.0	12.5
Other Miscellaneous Spending	145.2	114.7	17.2
Total	1,587.5	2,427.8	1,047.8

Source: Department of Treasury

*Budgeted under Education sector, but for budget execution purposes, was transferred out to vote 207 and executed.

Appropriation Reallocations (Transfers)

Transfers are adjustments made to both the Operational and Capital Investment Budgets during a fiscal year. These movements provide for agencies to reallocate funds internally and reprioritize activities as necessary, facilitating the execution of activities and programs to accommodate unforeseen changes. Transfers can also occur between the budgets of different agencies.

The Sections 6 and 7 through to 10 of the *Appropriation (General Public Services Expenditure 2024) Act 2023* outlines the conditions under which transfers may take place. All transfers or adjustment of appropriations must be approved by the Minister for Treasury. The execution of transfers entails an adjustment of initial appropriations. As a result the original budget is adjusted to reflect revised appropriations.

A large proportion of transfers were executed to or from major programs budgeted under the Treasury & Finance Miscellaneous (Division 207) vote and the Government Tuition Fee Subsidy (GTFS) under the Education sector was one of the largest transfer made. However, as per the *Appropriation (General Public Services Expenditure 2024) Act 2023*, Section 6(4) these reallocations do not reduce the balance for the nominal value of reallocations as per Section 6(3).

Reallocations of Debt servicing appropriations are specified under Section 10 and is capped at K457.6 million or 15.0 per cent of the 2024 Budget interest payments appropriation.

Section 6. Subsection 6(3) specifies the nominal limit for adjustments to appropriations. This section restricts the reallocation of appropriations to ensure the budget is expended on its intended programs and activities to realise government policy priorities.

The total 2024 Budget appropriation is K27,377.5 million. With the exclusion of Goods and Service Tax (GST) and Book Makers Tax (BMT) transfers to Provinces, Debt Interest payments, Miscellaneous (Division 207) appropriations, externally-funded capital expenditure, the National Parliament and Judiciary (which are subject to separate Appropriation Acts) the total GoPNG expenditure amounts to K16,484.8 million. The limit on Section 6 transfers is 15.0 per cent of this, equating to K2,472.7 million.

To achieve Government goals and deliver priority programs and activities, while responding to unforeseen circumstances, transfers were made in the first half of the year. As of the end of June, Section 6, 7 and 10 transfers amounted to K1,852.4 million (see Table 41 below).

Table 32: Section 4 Expenditures as at 30th June, 2024 (Kina, million)

Reallocations by Sector	Section 6, 7 and 10 Transfers		% Share	
	Out(-)	In (+)	Out %	In %
Administration	-123.3	377.6	6.7%	20.4%
Community & Culture	-2.8	7.7	0.2%	0.4%
Debt Services	0.0	0.0	0.0%	0.0%
Economic	-66.2	92.6	3.6%	5.0%
Education	-862.9	43.2	46.6%	2.3%
Health	-13.6	17.8	0.7%	1.0%
Law & Justice	-22.6	147.7	1.2%	8.0%
Miscellaneous	-715.9	953.5	38.6%	51.5%
Provinces	-20.0	187.2	1.1%	10.1%
Transport	0.0	0.0	0.0%	0.0%
Utilities	-25.0	25.0	1.3%	1.3%
Grand Total	-1,852.4	1,852.4	100.0%	100.0%

Source: Department of Treasury

Most transfers were consistent with the Government's initial intent and are covered by Section 7 of the Appropriation Bills. Outgoing Section 7 transfers totalled K1,566.8 million. There were no section 10 transfers. However, outgoing Section 6 transfers, which are subject to the cap under Section 6(3), stands at K285.5 million, or 11.5 per cent of the transfer limit. The remaining balance stands as K2,187.2 million (or 88.5 per cent), which is the balance available for reallocations to accommodate unforeseen circumstances.

Notable reallocations in the first half of the year include:

- K850.9 million was transferred from the Department of Education to Division 207 (Miscellaneous) for the payment of GTFS;
- K185.9 million was transferred from the allocation for NEC and Prime Minister's Decisions and Commitments;
- K149.2 million was transferred from the Contingency Fund to accommodate other Government priorities, including capital projects at the subnational levels. These were budgeted;
- K100.0 million was transferred to the Electoral Commission (EC) to support the Local Level Government (LLG) elections (K60.0 million of this was budgeted). Additionally, K25.0 million was transferred to the Royal PNG Constabulary for LLG election-related security;
- K52.6 million was transferred from "general unforeseen expenditure" to accommodate other Government priorities including Government Office Rentals and the construction of Melanesia Haus;
- K65.0 million was transferred out of SME Funding for Agriculture (under Division 207), of which K50.0 million was transferred to the Credit Guarantee Corporation;
- K62.9 million was transferred out of the Porgera Infrastructure Development Grant (IDG), of which K30.0 million was used to facilitate restarting operations at the Porgera Mine;
- K50.0 million was transferred for the National Census;
- K50.0 million was transferred to the Department of Prime Minister & NEC for a Rebuilding Package in the wake of the January 10th riots in Port Moresby; and
- K50.0 million was transferred to facilitate reform for the State Owned Enterprises (SOEs).

2.2 CAPITAL EXPENDITURE

The 2024 Capital Investment Budget is K10,699.8 million. It is comprised of GoPNG appropriation of K7,281.0 million, Donor Support Grants appropriation of K2,205.0 million; and Concessional Loan appropriation of K1,213.8 million (see Table 35).

Table 33: Capital Investment Budget Components (Kina, million)

	2024 Budget	Warrants	June Outturn	Exp V Budget
GoPNG	7,281.0	3,905.0	3,170.8	43.5%
Donor Support Grants	2,205.0	-	578.2	26.2%
Concessional Loans	1,213.8	-	403.2	33.2%
Grand Total	10,699.8	3,905.0	4,152.2	38.8%

Source: Department of National Planning & Monitoring

Aggregate spending on the Capital Investment Budget for the first half of 2024 was K4,152.2 million or 38.8 per cent of its total Budget. This consisted of the GoPNG PIP component of K3,170.8 million, concessional loan drawdowns of K352.2 million and donor support grant of K578.2 million.

From the GoPNG PIP expenditure outcome of K3,170.8 million, priority programs delivered during the first half of the year include PSIP (K146.0 million), DSIP (K647.0 million), Connect PNG (K527.8 million), District Infrastructure Development Program (K279.8 million), District Infrastructure Program (Kina-for-Kina) (K409.0 million), National Population Census (K115.4 million), and the Special Intervention Program (K70.0 million).

Support Improvement Program (SIP)

A total of K1,180.0 million was allocated to the Services Improvement Program (SIP) comprising of the District Support Improvement Program (K960.0 million) and Provincial Support Improvement Program (K220.0 million). SIPs make up 16.2 per cent of the GoPNG budget component of the capital investment budget.

Table 34: Support Improvement Program (SIP) 2023-2024 (Kina million)

SIPs	2023 Actual	2024 Budget	June Outturn	2024 MYEFO	Outturn Vs Budget
DSIP	974.0	960.0	647.0	960.0	67.4%
PSIP	222.0	220.0	146.0	220.0	66.4%
Grand Total	1,196.0	1,180.0	793.0	1,180.0	67.2%

Source: Department of National Planning & Monitoring

Spending on the Medium-Term Development Plan (MTDP) Enablers

The 2024 Development Budget is consistent with the MTDP IV as it is aligned to the 12 Special Priority Areas (SPAs) and 71 Deliberate Intervention Programs (DIPs). The Government's strong commitment to achieve "*National Prosperity through Growing the Economy*" is outlined in MTDP IV. It aims to invest in key economic growth triggers to boost revenue; build critical infrastructure; reduce imports; and maintain law and order and national security.

The alignment of development priorities includes integrating programs and projects under the Capital Investment Budget. The appropriation of 76.0 per cent of the 2024 Capital Investment Budget against the 12 SPAs of MTDP IV demonstrates a strong commitment by the Government to achieve MTDP IV targets. The remaining 24.0 per cent is allocated to Government fixed commitments. Appropriation in the 2024 Budget surpasses the MTDP IV

annual estimates and year to date execution is at 68.0 per cent of major PIP programs as listed in Table 37 below.

Table 35: Major Expenditures under Capital Investment Budget 2024.

Key Priority Programs	2024 Budget	June Outturn	Outturn as % of the Budget
Connect PNG Road Program	600.0	527.8	88.0%
District Infrastructure Development Program	480.0	279.8	58.3%
District Infrastructure Program (Kina-for-Kina)	456.6	409.0	89.6%
2020 Population Census Preparation	100.0	115.4	115.4%
Special Intervention Program	100.0	70.0	70.0%
Porgera Infrastructure Development Grant- IDG	100.0	16.5	16.5%
Wafi Golpu Infrastructure Development Grant	100.0	13.0	13.0%
Restoration Development Grant (Outstanding)	100.0	25.0	25.0%
SOE Reforms Program	80.0	40.0	50.0%
Business Development Grant- Papua LNG	60.0	29.5	49.2%
Waigani National Court Complex	48.0	30.0	62.5%
New District Infrastructure Development Program 2027	35.0	2.3	6.6%
District Community Development Centre	20.0	7.7	38.5%
Coconut Downstream Processing Program	20.0	5.0	25.0%
National Land and Housing Program	20.0	15.7	78.7%
NBC Rehabilitation & Modernisation Program	20.0	5.0	25.0%
Total	2,339.6	1,591.8	68.0%

Source: Department of National Planning & Monitoring

Capital expenditure across the sectors indicates that the administration, province and transport sectors were the biggest spenders in the first half of the year. Higher spending in these sectors reflects the Government's continued commitment to its priority programs.

Donor Support Grants

The 2024 Budget estimated donor grants from development partners to be K2,205.0 million, which represents 20.6 per cent of the 2024 Capital Investment Budget.

For the first 6 months of 2024, donor grant funded expenditure was K578.2 million or 26.2 per cent against budget projections. The lower outcome is mainly attributed to non-reporting on the part of most of the development partners at the time of this report. Delayed reporting from donor partners are mainly due to different donors having different financial reporting periods and processes, which in most cases do not align with the Government's reporting timeframes.

Some of the major development partners undertaking programs/projects in the country includes the Australian Government, Government of Japan (through JICA), New Zealand Government, European Union (EU), United Nations (UN), World Bank (WB) and the Asian Development Bank (ADB).

A detailed report of project support grants will be provided in the 2024 FBO report which will be published in March 2025.

Infrastructure Tax Credit (ITC) Scheme ¹⁴

The Infrastructure Tax Credit Scheme (ITCS) is one of the Public Private Partnership (PPP) programs in PNG. It has developed and delivered infrastructure in the mining, oil, gas, and

¹⁴ The 2024 Budget appropriation of K10,699.8 million under development Budget does not include the ITCS budget amount due to the Current 2014 GFS classification reporting frame work use which limit the scope of spending on specific economic activity.

primary industry-impacted areas of PNG. The program allows revenue generated from the primary and extractive industries to be translated into tangible development programs for the benefit of people in the rural communities.

A total of 12 developers have registered to participate in the ITCS Program. However, only four (4) have been actively participating in implementing ITCS projects between January and June 2024. This includes Ok Tedi Mining Limited (OTML) with 8 projects, Newcrest Mining Limited (NML) with 1 project, K92 Mining Limited (K92ML) with 1 project and New Britain Palm Oil Limited with 4 projects including their TCS administration budgets.

The ITCS accumulated expenditure in the last 5 years (2019-2023) amounts to K393.8 million. This demonstrates a significant contribution from the extractive and primary industries to the infrastructure development of PNG using the tax that supposedly should be paid to IRC. From the K393.8 million, about 82.0 per cent (K322.9 million) of total expenditures were expended in the Transport Sector. Others include 6.0 per cent (K23.6 million) expended in Administration Sector, 3.0 per cent (K11.8 million) expended in Law & Justice Sector and 2.0 per cent for the Health and Education Sectors (including ITCS administration budget). From January to June 2024, K26.5 million was expended on implementing existing ITCS projects.

There were no approvals given in the last 6 months (January-June 2024) as the developers continue with the implementation of the 14 active ITCS projects that were approved in prior years.

PART 3: ATTACHMENTS

Attachment A shows expenditure outcome by category and sectors classification.

Attachment B expenditure category by agency type.

Attachment C expenditure category by individual agency.

- All attachments do not capture the change in Trust Balances.

ATTACHMENT A: EXPENDITURE CATEGORY BY SECTORS

Expenditure Category by Sectors (Kina, million)

Expenditure by Sector	2024 Budget	2024 Revised Budget	Warrant Authorized	June Outcome	Exp/R B [%]	Exp/W a [%]
Administration	3,414.2	3,668.6	2,180.0	1,752.1	47.8%	80.4%
Compensation Of Employees[GFS]	770.5	826.1	335.3	359.3	43.5%	107.2%
Grants	1,437.6	1,432.6	1,016.2	885.8	61.8%	87.2%
Non financial assets	217.3	217.7	120.7	68.3	31.4%	56.6%
Subsidies	0.8	0.8	0.4	0.3	41.7%	83.3%
Use of goods and services [GFS]	988.0	1,191.5	707.4	438.2	36.8%	61.9%
Provinces	4,551.1	4,718.3	2,485.5	2,482.6	52.6%	99.9%
Compensation Of Employees[GFS]	2,285.7	2,285.7	1,029.5	1,202.7	52.6%	116.8%
Grants	1,529.5	1,633.7	1,030.0	899.9	55.1%	87.4%
Non financial assets	149.5	149.5	62.0	62.0	41.5%	100.0%
Use of goods and services [GFS]	586.4	649.4	364.0	318.0	49.0%	87.4%
Community & Culture	168.0	172.9	76.4	65.9	38.1%	86.2%
Compensation Of Employees[GFS]	62.6	62.6	22.5	28.2	44.9%	125.2%
Grants	5.5	5.5	2.2	0.9	16.0%	40.3%
Non financial assets	44.2	42.2	18.6	13.4	31.7%	71.9%
Subsidies	0.7	0.7	0.3	0.1	18.5%	44.1%
Use of goods and services [GFS]	55.0	61.8	32.8	23.3	37.7%	71.1%
Economic	1,158.6	1,185.0	395.0	328.6	27.7%	83.2%
Compensation Of Employees[GFS]	273.4	273.7	120.5	115.3	42.1%	95.7%
Grants	15.6	15.6	3.7	1.7	10.8%	46.1%
Non financial assets	193.4	193.6	23.0	22.1	11.4%	96.1%
Subsidies	0.0	0.0	0.0	0.0	22.8%	73.3%
Use of goods and services [GFS]	676.1	702.0	247.8	189.5	27.0%	76.5%
Education	1,791.8	972.1	505.7	371.7	38.2%	73.5%
Compensation Of Employees[GFS]	446.2	446.2	166.3	177.8	39.8%	106.9%
Grants	852.9	2.0	2.0	1.4	70.0%	70.0%
Non financial assets	143.1	131.1	45.6	27.6	21.0%	60.5%
Subsidies	101.5	114.4	111.2	51.7	45.2%	46.5%
Use of goods and services [GFS]	248.2	278.5	180.6	113.2	40.6%	62.7%
Health	2,348.4	2,352.6	885.7	874.8	37.2%	98.8%
Compensation Of Employees[GFS]	1,106.6	1,124.4	433.7	593.5	52.8%	136.9%
Grants	365.3	355.3	117.2	44.2	12.4%	37.7%
Non financial assets	149.5	149.5	56.2	21.5	14.4%	38.2%

Expenditure by Sector	2024 Budget	2024 Revised Budget	Warrant Authorized	June Outcome	Exp/R B [%]	Exp/W a [%]
Subsidies	3.2	3.2	3.1	0.5	15.9%	16.7%
Use of goods and services [GFS]	723.8	720.2	275.6	215.1	29.9%	78.0%
Law & Justice	1,925.7	2,050.8	799.1	760.9	37.1%	95.2%
Compensation Of Employees[GFS]	1,063.2	1,081.2	371.6	492.6	45.6%	132.6%
Grants	0.0	0.0	0.0	0.0	0.0%	0.0%
Non financial assets	432.4	413.4	92.2	65.3	15.8%	70.8%
Subsidies	3.8	3.8	3.0	2.5	66.9%	82.9%
Use of goods and services [GFS]	426.3	552.4	332.2	200.5	36.3%	60.4%
Other Expense	0.0	0.0	0.0	4.9	0.0%	0.0%
Transport	1,364.0	1,364.0	753.3	651.0	47.7%	86.4%
Compensation Of Employees[GFS]	128.4	128.4	56.2	58.0	45.2%	103.1%
Grants	1.0	1.0	0.2	0.2	21.7%	100.0%
Non financial assets	980.5	980.5	657.7	574.5	58.6%	87.4%
Use of goods and services [GFS]	254.0	254.0	39.2	18.2	7.2%	46.4%
Utilities	387.9	387.9	171.2	99.9	25.8%	58.4%
Compensation Of Employees[GFS]	36.3	36.3	17.8	16.4	45.2%	92.0%
Non financial assets	168.0	147.8	60.0	57.4	38.8%	95.7%
Other Expense	0.0	0.0	0.0	0.0	0.0%	0.0%
Use of goods and services [GFS]	183.5	203.7	93.4	26.1	12.8%	27.9%
Miscellaneous	2,900.6	3,138.2	1,182.8	1,047.8	33.4%	88.6%
Compensation Of Employees[GFS]	874.6	795.1	193.4	220.2	27.7%	113.8%
Grants	8.0	858.9	425.9	425.9	49.6%	100.0%
Subsidies	0.5	0.5	0.0	0.0	0.0%	0.0%
Use of goods and services [GFS]	2,017.5	1,483.7	563.5	401.7	27.1%	71.3%
Debt Services	3,050.8	3,050.8	1,512.0	1,405.9	46.1%	93.0%
Sub-Total	23,061.1	23,061.1	10,946.7	9,841.1	42.7%	89.9%
GST & BTT	897.6	897.6	0.0	81.6	9.1%	0.0%
Concessional Loans	1,213.8	1,213.8	0.0	403.2	33.2%	0.0%
Donor Grants	2,205.0	2,205.0	0.0	578.2	26.2%	0.0%
Grand Total	27,377.5	27,377.5	10,946.7	10,904.1	39.8%	98.4%

Source: Department of Treasury

ATTACHMENT B: EXPENDITURE CATEGORY BY AGENCY TYPE

Expenditure Category by Agency Type (Kina, million)

Expenditure by Agency Type	2024 Budget	2024 Revised Budget	Warrant Authorized	June Outcome	Exp/RB [%]	Exp/Wa [%]
National Departments	11,327.2	11,091.2	5,295.3	4,372.8	39.4%	82.6%
Compensation Of Employees[GFS]	2,749.2	2,811.5	916.1	1,111.3	39.5%	121.3%
Grants	2,425.4	2,524.2	1,507.9	1,313.7	52.0%	87.1%
Non financial assets	1,704.8	1,558.8	836.2	659.3	42.3%	78.8%
Other Expense	41.2	0.0	0.0	5.9	0.0%	0.0%
Subsidies	106.0	118.9	116.4	48.0	40.4%	41.2%
Use of goods and services [GFS]	4,300.6	4,077.8	1,918.7	1,234.6	30.3%	64.3%
Statutory Authorities (CSA excl. PHAs)	2,980.9	2,971.0	1,228.1	1,090.4	36.7%	88.8%
Compensation Of Employees[GFS]	1,344.7	1,260.3	535.8	546.3	43.3%	102.0%
Grants	50.2	22.1	7.1	26.5	119.9%	373.2%
Non financial assets	649.1	637.6	205.4	172.9	27.1%	84.2%
Subsidies	7.3	4.2	1.5	1.1	26.2%	73.3%
Use of goods and services [GFS]	929.6	1,046.8	478.3	343.6	32.8%	71.8%
Provincial Administrations	4,556.7	4,718.3	2,485.5	2,482.5	52.6%	99.9%
Compensation Of Employees[GFS]	2,145.0	2,285.7	1,029.5	1,202.7	52.6%	116.8%
Grants	1,875.8	1,633.7	1,030.0	663.7	40.6%	64.4%
Non financial assets	49.5	149.5	62.0	62.0	41.5%	100.0%
Use of goods and services [GFS]	486.4	649.4	364.0	554.2	85.3%	152.2%
PHA's	1,145.6	1,229.9	426.0	489.5	39.8%	114.9%
Compensation Of Employees[GFS]	614.3	702.2	265.5	370.9	52.8%	139.7%
Grants	124.7	124.7	52.5	40.5	32.5%	77.1%
Non financial assets	79.5	79.5	32.3	17.9	22.5%	55.4%
Subsidies	0.2	0.2	0.1	0.1	50.0%	100.0%
Use of goods and services [GFS]	326.9	323.3	75.6	60.1	18.6%	79.5%
Debt Services	3,050.8	3,050.8	1,512.0	1,405.9	46.1%	93.0%
Sub-Total	23,061.2	23,061.2	10,946.9	9,841.1	42.7%	89.9%
GST & BTT	897.6	897.6	0.0	81.6	9.1%	0.0%
Concessional Loans	1,213.8	1,213.8	0.0	403.2	33.2%	0.0%
Donor Grants	2,205.0	2,205.0	0.0	578.2	26.2%	0.0%
Grand Total	27,377.6	27,377.6	10,946.9	10,904.1	39.8%	99.6%

Source: Department of Treasury

ATTACHMENT C: EXPENDITURE CATEGORY BY INDIVIDUAL AGENCY

Expenditure Category By Individual Agency (Kina, million)

Expenditure by Agency	2024 Budget	2024 Revised Budget	Warrant Authorized	June Outcome	Exp/RB [%]	Exp/Wa [%]
201 NATIONAL PARLIAMENT	263.6	271.5	147.5	122.5	45.1%	83.0%
Operational	258.2	266.1	143.8	122.5	46.0%	85.2%
Compensation Of Employees[GFS]	184.8	190.6	105.7	90.6	47.5%	85.7%
Non financial assets	5.7	5.7	3.0	2.5	44.1%	84.1%
Subsidies	0.8	0.8	0.4	0.3	41.7%	83.3%
Use of goods and services [GFS]	67.0	69.0	34.7	29.0	42.1%	83.7%
GoPNG PIP	5.4	5.4	3.7	0.0	0.0%	0.0%
Non financial assets	5.4	5.4	3.7	0.0	0.0%	0.0%
202 OFFICE OF GOVERNOR-GENERAL	8.8	8.8	3.4	3.2	36.7%	95.0%
Operational	8.8	8.8	3.4	3.2	36.7%	95.0%
Compensation Of Employees[GFS]	3.2	3.2	1.1	1.7	51.7%	151.7%
Non financial assets	0.1	0.1	0.1	0.1	81.4%	81.4%
Use of goods and services [GFS]	5.5	5.5	2.2	1.5	27.1%	67.2%
203 DEPARTMENT OF PRIME MINISTER & NEC	168.5	270.0	179.8	107.9	40.0%	60.0%
Operational	138.5	190.0	118.0	75.7	39.8%	64.1%
Compensation Of Employees[GFS]	67.8	67.8	25.0	26.8	39.5%	107.2%
Non financial assets	1.0	1.0	0.7	0.2	16.7%	21.9%
Use of goods and services [GFS]	69.7	121.2	92.3	48.7	40.2%	52.8%
GoPNG PIP	30.0	80.0	61.8	32.3	40.3%	52.2%
Non financial assets	15.0	15.0	4.0	1.0	6.7%	25.0%
Use of goods and services [GFS]	15.0	65.0	57.8	31.3	48.1%	54.1%
204 NATIONAL STATISTICAL OFFICE	111.8	162.2	153.6	121.4	74.8%	79.0%
Operational	11.8	12.2	3.6	5.9	48.5%	163.9%
Compensation Of Employees[GFS]	9.8	10.2	2.9	5.4	52.6%	185.2%
Non financial assets	0.1	0.1	0.0	0.0	9.8%	19.9%
Use of goods and services [GFS]	1.9	1.9	0.7	0.5	28.6%	81.1%
GoPNG PIP	100.0	150.0	150.0	115.4	77.0%	77.0%
Compensation Of Employees[GFS]	11.0	11.0	11.0	11.0	100.0%	100.0%
Use of goods and services [GFS]	89.0	139.0	139.0	104.4	75.1%	75.1%
205 OFFICE OF BOUGAINVILLE AFFAIRS	8.1	8.1	3.7	2.9	36.1%	79.6%
Operational	8.1	8.1	3.7	2.9	36.1%	79.6%
Compensation Of Employees[GFS]	4.1	4.1	1.4	2.0	49.9%	140.8%
Non financial assets	0.0	0.0	0.0	0.0	74.1%	75.0%
Use of goods and services [GFS]	4.0	4.0	2.2	0.9	21.7%	39.6%
206 DEPARTMENT OF FINANCE	1,204.8	1,208.8	815.6	752.4	62.2%	92.3%
Operational	34.2	34.2	14.9	16.0	46.7%	107.6%
Compensation Of Employees[GFS]	25.4	25.4	10.8	13.0	51.3%	121.1%
Non financial assets	0.1	0.1	0.0	0.0	31.0%	83.7%
Use of goods and services [GFS]	8.7	8.7	4.0	2.9	33.7%	72.0%
GoPNG PIP	1,170.6	1,174.6	800.7	736.4	62.7%	92.0%
Grants	1,156.6	1,156.6	790.6	732.8	63.4%	92.7%

Expenditure by Agency	2024 Budget	2024 Revised Budget	Warrant Authorized	June Outcome	Exp/RB [%]	Exp/Wa [%]
Non financial assets	9.4	9.4	2.9	1.0	10.5%	34.5%
Use of goods and services [GFS]	4.6	8.6	7.3	2.6	29.9%	35.5%
207 TREASURY AND FINANCE - MISCELLANEOUS	2,900.6	3,138.2	1,182.8	1,047.8	33.4%	88.6%
Operational	2,900.6	3,138.2	1,182.8	1,047.8	33.4%	88.6%
Compensation Of Employees[GFS]	874.6	795.1	193.4	220.2	27.7%	113.8%
Grants	8.0	858.9	425.9	425.9	49.6%	100.0%
Subsidies	0.5	0.5	0.0	0.0	0.0%	0.0%
Use of goods and services [GFS]	2,017.5	1,483.7	563.5	401.7	27.1%	71.3%
208 DEPARTMENT OF TREASURY	61.8	61.8	28.0	18.4	29.8%	65.8%
Operational	60.8	60.8	27.0	18.1	29.8%	67.1%
Compensation Of Employees[GFS]	26.0	26.0	9.7	7.8	29.9%	80.0%
Non financial assets	9.9	9.9	3.6	1.8	17.7%	48.5%
Use of goods and services [GFS]	24.9	24.9	13.7	8.6	34.5%	62.8%
GoPNG PIP	1.0	1.0	1.0	0.3	29.6%	29.6%
Use of goods and services [GFS]	1.0	1.0	1.0	0.3	29.6%	29.6%
209 REGISTRAR FOR POLITICAL PARTIES	6.9	6.9	3.0	3.6	52.1%	119.9%
Operational	6.9	6.9	3.0	3.6	52.1%	119.9%
Compensation Of Employees[GFS]	5.7	5.7	2.1	2.8	49.3%	134.1%
Non financial assets	0.0	0.0	0.0	0.0	64.2%	65.5%
Use of goods and services [GFS]	1.1	1.1	0.9	0.7	66.4%	85.8%
210 NEC SECRETARIAT	2.4	2.4	0.8	0.8	32.1%	101.0%
Operational	2.4	2.4	0.8	0.8	32.1%	101.0%
Compensation Of Employees[GFS]	1.3	1.3	0.3	0.6	45.1%	180.3%
Non financial assets	0.1	0.1	0.0	0.0	0.0%	0.0%
Use of goods and services [GFS]	1.0	1.0	0.4	0.2	19.4%	47.5%
211 PNG CUSTOMS SERVICE	153.5	153.5	69.3	69.4	45.2%	100.1%
Operational	113.5	113.5	43.3	56.6	49.9%	130.6%
Compensation Of Employees[GFS]	72.0	72.0	25.7	43.0	59.7%	167.0%
Non financial assets	0.4	0.4	0.3	0.2	47.3%	58.8%
Use of goods and services [GFS]	41.1	41.1	17.3	13.4	32.6%	77.6%
GoPNG PIP	40.0	40.0	26.0	12.8	32.0%	49.2%
Non financial assets	34.0	34.0	24.2	11.4	33.4%	46.9%
Use of goods and services [GFS]	6.0	6.0	1.8	1.5	24.2%	80.6%
212 INFORMATION TECHNOLOGY DIVISION	6.7	6.1	3.3	2.4	39.3%	72.8%
Operational	6.7	6.1	3.3	2.4	39.3%	72.8%
Compensation Of Employees[GFS]	3.3	3.3	1.6	1.1	32.6%	68.7%
Non financial assets	0.0	0.0	0.0	0.0	97.2%	97.2%
Use of goods and services [GFS]	3.4	2.8	1.7	1.3	47.1%	76.4%
213 FIRE SERVICES	22.6	25.1	12.0	12.2	48.6%	101.8%
Operational	19.6	22.1	10.0	11.8	53.2%	117.8%
Compensation Of Employees[GFS]	18.1	18.1	6.7	10.3	56.7%	153.6%
Non financial assets	0.0	0.0	0.0	0.0	0.0%	0.0%
Use of goods and services [GFS]	1.5	4.0	3.3	1.5	37.7%	45.1%
GoPNG PIP	3.0	3.0	2.0	0.4	14.5%	21.7%
Non financial assets	3.0	3.0	2.0	0.4	14.5%	21.7%

Expenditure by Agency	2024 Budget	2024 Revised Budget	Warrant Authorized	June Outcome	Exp/RB [%]	Exp/Wa [%]
215 PNG IMMIGRATION AND CITIZENSHIP SERVICES	19.3	19.3	6.6	13.4	69.6%	203.3%
Operational	16.3	16.3	5.1	13.4	82.4%	263.0%
Compensation Of Employees[GFS]	16.3	16.3	5.1	13.4	82.4%	263.0%
GoPNG PIP	3.0	3.0	1.5	0.0	0.0%	0.0%
Use of goods and services [GFS]	3.0	3.0	1.5	0.0	0.0%	0.0%
216 INTERNAL REVENUE COMMISSION	140.1	140.1	61.7	58.9	42.0%	95.5%
Operational	100.1	100.1	42.9	46.1	46.0%	107.5%
Compensation Of Employees[GFS]	62.7	62.7	22.3	28.3	45.1%	126.9%
Non financial assets	9.7	9.7	4.8	3.9	40.4%	81.1%
Use of goods and services [GFS]	27.8	27.8	15.8	13.9	50.0%	88.0%
GoPNG PIP	40.0	40.0	18.8	12.8	32.0%	68.1%
Non financial assets	25.0	25.0	12.0	9.0	36.0%	75.0%
Use of goods and services [GFS]	15.0	15.0	6.8	3.8	25.3%	55.9%
217 DEPARTMENT OF FOREIGN AFFAIRS AND TRADE	126.4	126.4	44.6	41.4	32.7%	92.8%
Operational	123.4	123.4	43.6	41.4	33.5%	94.9%
Compensation Of Employees[GFS]	57.4	57.4	18.8	19.0	33.0%	100.8%
Use of goods and services [GFS]	66.0	66.0	24.8	22.4	34.0%	90.5%
GoPNG PIP	3.0	3.0	1.0	0.0	0.0%	0.0%
Use of goods and services [GFS]	3.0	3.0	1.0	0.0	0.0%	0.0%
218 OFFICE OF THE PUBLIC PROSECUTOR	24.8	24.8	9.9	7.3	29.3%	73.7%
Operational	22.8	22.8	9.5	7.3	31.9%	76.8%
Compensation Of Employees[GFS]	18.9	18.9	7.2	5.6	29.5%	77.4%
Non financial assets	0.0	0.0	0.0	0.0	44.2%	46.1%
Use of goods and services [GFS]	3.9	3.9	2.2	1.7	43.3%	75.0%
GoPNG PIP	2.0	2.0	0.4	0.0	0.0%	0.0%
Non financial assets	2.0	2.0	0.4	0.0	0.0%	0.0%
219 PNG INSTITUTE OF PUBLIC ADMINISTRATION	23.8	23.8	7.0	9.0	38.0%	128.8%
Operational	10.8	10.8	4.0	6.0	55.9%	150.3%
Compensation Of Employees[GFS]	9.6	9.6	3.5	5.9	61.4%	168.2%
Non financial assets	0.2	0.2	0.0	0.0	12.2%	65.2%
Use of goods and services [GFS]	1.0	1.0	0.5	0.1	11.8%	25.5%
GoPNG PIP	13.0	13.0	3.0	3.0	23.1%	100.0%
Non financial assets	12.1	12.1	2.1	2.1	17.4%	100.0%
Use of goods and services [GFS]	0.9	0.9	0.9	0.9	100.0%	100.0%
220 DEPARTMENT OF PERSONNEL MANAGEMENT	23.1	27.4	10.9	8.9	32.4%	81.0%
Operational	20.1	24.4	9.9	8.5	34.8%	85.3%
Compensation Of Employees[GFS]	16.8	16.8	3.7	7.4	44.1%	197.9%
Non financial assets	0.3	0.6	0.5	0.1	9.9%	12.6%
Use of goods and services [GFS]	3.1	7.0	5.7	1.0	14.7%	17.9%
GoPNG PIP	3.0	3.0	1.0	0.4	12.8%	38.3%
Non financial assets	2.0	2.0	0.5	0.0	0.0%	0.0%
Use of goods and services [GFS]	1.0	1.0	0.5	0.4	38.3%	76.6%
221 PUBLIC SERVICE COMMISSION	10.1	10.1	4.5	3.6	35.8%	79.8%

Expenditure by Agency	2024 Budget	2024 Revised Budget	Warrant Authorized	June Outcome	Exp/RB [%]	Exp/Wa [%]
Operational	7.1	7.1	3.2	3.6	50.7%	111.4%
Compensation Of Employees[GFS]	5.9	5.9	2.6	3.1	53.2%	119.2%
Non financial assets	0.2	0.2	0.2	0.1	66.4%	83.0%
Use of goods and services [GFS]	1.0	1.0	0.4	0.3	32.8%	75.5%
GoPNG PIP	3.0	3.0	1.3	0.0	0.4%	0.9%
Use of goods and services [GFS]	3.0	3.0	1.3	0.0	0.4%	0.9%
222 OFFICE OF THE PUBLIC SOLICITOR	31.8	31.8	12.2	11.1	34.7%	90.8%
Operational	27.8	27.8	11.2	10.6	38.0%	94.8%
Compensation Of Employees[GFS]	22.4	22.4	8.3	8.0	35.7%	96.0%
Non financial assets	0.1	0.1	0.1	0.0	98.4%	98.4%
Use of goods and services [GFS]	5.4	5.4	2.8	2.5	47.1%	90.9%
GoPNG PIP	4.0	4.0	1.0	0.5	11.7%	47.0%
Non financial assets	3.2	3.2	0.5	0.0	0.0%	0.0%
Use of goods and services [GFS]	0.8	0.8	0.5	0.5	58.7%	94.0%
223 JUDICIARY SERVICES	359.4	357.4	153.0	134.7	37.7%	88.0%
Operational	296.4	296.4	121.0	102.7	34.6%	84.9%
Compensation Of Employees[GFS]	136.8	136.8	50.3	56.7	41.4%	112.6%
Non financial assets	79.0	79.0	33.7	24.7	31.2%	73.3%
Use of goods and services [GFS]	80.6	80.6	36.9	21.3	26.5%	57.7%
GoPNG PIP	63.0	61.0	32.0	32.0	52.5%	100.0%
Non financial assets	59.8	57.8	30.8	30.8	53.3%	100.0%
Use of goods and services [GFS]	3.2	3.2	1.2	1.2	37.5%	100.0%
224 MAGISTERIAL SERVICES	98.3	96.3	37.5	32.7	34.0%	87.2%
Operational	86.3	86.3	35.0	30.2	35.0%	86.3%
Compensation Of Employees[GFS]	47.3	47.3	17.6	20.1	42.4%	113.7%
Non financial assets	3.9	3.9	1.7	1.0	26.9%	60.6%
Use of goods and services [GFS]	35.1	35.1	15.6	9.1	25.9%	58.2%
GoPNG PIP	12.0	10.0	2.5	2.5	25.0%	100.0%
Non financial assets	10.5	8.5	1.3	1.3	14.7%	100.0%
Use of goods and services [GFS]	1.5	1.5	1.3	1.3	83.3%	100.0%
225 DEPARTMENT OF ATTORNEY-GENERAL	154.4	171.8	76.0	86.3	50.2%	113.7%
Operational	144.4	161.8	73.0	85.7	53.0%	117.5%
Compensation Of Employees[GFS]	127.1	124.7	44.6	61.4	49.2%	137.7%
Grants	0.0	0.0	0.0	0.0	0.0%	0.0%
Non financial assets	0.5	0.5	0.3	0.1	24.7%	46.9%
Subsidies	0.1	0.1	0.0	0.0	7.2%	22.2%
Use of goods and services [GFS]	16.7	36.5	28.1	24.2	66.2%	86.1%
GoPNG PIP	10.0	10.0	3.0	0.6	6.3%	21.1%
Non financial assets	4.0	4.0	0.5	0.1	3.7%	29.7%
Use of goods and services [GFS]	6.0	6.0	2.5	0.5	8.1%	19.4%
226 DEPARTMENT OF CORRECTIVE INSTITUTIONAL SERVICES	192.3	192.3	67.9	66.5	34.6%	97.8%
Operational	160.3	160.3	65.4	66.5	41.5%	101.6%
Compensation Of Employees[GFS]	114.7	114.7	44.0	51.2	44.6%	116.4%
Non financial assets	1.1	1.1	1.0	0.0	2.0%	2.1%
Use of goods and services [GFS]	44.5	44.5	20.4	15.2	34.2%	74.6%
GoPNG PIP	32.0	32.0	2.5	0.0	0.0%	0.0%
Non financial assets	28.0	28.0	0.0	0.0	0.0%	0.0%

Expenditure by Agency	2024 Budget	2024 Revised Budget	Warrant Authorized	June Outcome	Exp/RB [%]	Exp/Wa [%]
Use of goods and services [GFS]	4.0	4.0	2.5	0.0	0.0%	0.0%
227 PROVINCIAL TREASURIES	41.7	41.7	13.4	19.1	45.9%	142.6%
Operational	41.7	41.7	13.4	19.1	45.9%	142.6%
Compensation Of Employees[GFS]	37.8	37.8	11.9	18.0	47.7%	151.9%
Non financial assets	0.0	0.0	0.0	0.0	8.8%	21.1%
Use of goods and services [GFS]	3.9	3.9	1.5	1.1	28.2%	71.3%
228 DEPARTMENT OF POLICE	619.8	676.1	204.8	208.6	30.9%	101.8%
Operational	419.8	486.1	194.8	208.6	42.9%	107.1%
Compensation Of Employees[GFS]	324.7	325.0	77.1	142.2	43.7%	184.4%
Non financial assets	1.9	1.9	1.2	0.4	19.2%	29.3%
Use of goods and services [GFS]	93.2	159.2	116.5	66.1	41.5%	56.7%
(blank)	0.0	0.0	0.0	0.0	0.0%	0.0%
GoPNG PIP	200.0	190.0	10.0	0.0	0.0%	0.0%
Non financial assets	186.3	176.3	10.0	0.0	0.0%	0.0%
Use of goods and services [GFS]	13.7	13.7	0.0	0.0	0.0%	0.0%
229 DEPARTMENT OF NATIONAL PLANNING AND MONITORING	693.6	620.5	393.5	254.8	41.1%	64.8%
Operational	26.6	26.6	10.3	10.7	40.1%	103.7%
Compensation Of Employees[GFS]	17.3	17.3	6.5	8.2	47.4%	126.3%
Non financial assets	0.5	0.5	0.2	0.1	27.1%	65.1%
Use of goods and services [GFS]	8.8	8.8	3.6	2.3	26.4%	64.7%
GoPNG PIP	667.0	593.9	383.2	244.2	41.1%	63.7%
Compensation Of Employees[GFS]	1.5	1.5	1.5	1.5	100.0%	100.0%
Grants	185.0	185.0	152.0	109.5	59.2%	72.0%
Non financial assets	75.0	75.0	50.0	29.8	39.7%	59.6%
Use of goods and services [GFS]	405.5	332.4	179.7	103.4	31.1%	57.5%
230 ELECTORAL COMMISSION	11.5	121.8	33.9	15.2	12.5%	45.0%
Operational	11.5	121.8	33.9	15.2	12.5%	45.0%
Compensation Of Employees[GFS]	8.2	8.2	1.6	2.3	27.8%	139.5%
Non financial assets	0.6	0.6	0.0	0.0	1.0%	30.0%
Use of goods and services [GFS]	2.7	112.9	32.2	12.9	11.5%	40.1%
231 NATIONAL INTELLIGENCE ORGANISATION	14.7	14.7	9.7	2.3	15.6%	23.5%
Operational	7.7	7.7	2.7	2.3	29.8%	83.6%
Compensation Of Employees[GFS]	5.9	5.9	2.1	1.9	32.2%	90.9%
Non financial assets	0.3	0.3	0.3	0.2	64.5%	65.6%
Use of goods and services [GFS]	1.5	1.5	0.3	0.2	12.7%	54.5%
GoPNG PIP	7.0	7.0	7.0	0.0	0.0%	0.0%
Non financial assets	2.5	2.5	2.5	0.0	0.0%	0.0%
Use of goods and services [GFS]	4.5	4.5	4.5	0.0	0.0%	0.0%
232 PROVINCIAL AND LOCAL GOVERNMENT AFFAIRS	30.6	84.6	29.6	9.7	11.5%	32.9%
Operational	24.6	73.6	23.0	8.0	10.9%	34.8%
Compensation Of Employees[GFS]	12.2	61.2	19.1	5.0	8.2%	26.3%
Non financial assets	0.0	0.0	0.0	0.0	22.5%	34.8%
Use of goods and services [GFS]	12.3	12.3	3.9	3.0	24.2%	76.1%
GoPNG PIP	6.0	11.0	6.6	1.7	15.8%	26.3%
Grants	2.0	2.0	0.6	0.0	0.5%	1.8%
Use of goods and services [GFS]	4.0	9.0	6.0	1.7	19.2%	28.8%

Expenditure by Agency	2024 Budget	2024 Revised Budget	Warrant Authorized	June Outcome	Exp/RB [%]	Exp/Wa [%]
233 OFFICE OF CENSORSHIP	7.5	7.5	1.9	2.5	32.8%	131.6%
Operational	4.5	4.5	1.6	2.2	48.1%	137.7%
Compensation Of Employees[GFS]	3.8	3.8	1.2	1.9	51.2%	156.0%
Non financial assets	0.0	0.0	0.0	0.0	15.3%	100.0%
Use of goods and services [GFS]	0.7	0.7	0.3	0.2	32.7%	68.4%
GoPNG PIP	3.0	3.0	0.3	0.3	10.0%	99.8%
Non financial assets	3.0	3.0	0.3	0.3	10.0%	99.8%
234 DEPARTMENT OF DEFENCE	352.6	405.3	197.1	188.2	46.4%	95.5%
Operational	315.6	373.3	194.1	186.4	49.9%	96.0%
Compensation Of Employees[GFS]	235.1	252.8	106.7	135.5	53.6%	127.0%
Non financial assets	5.1	5.1	4.3	3.6	69.7%	82.4%
Subsidies	3.6	3.6	3.0	2.5	69.5%	83.9%
Use of goods and services [GFS]	71.8	111.8	80.1	44.8	40.1%	55.9%
GoPNG PIP	37.0	32.0	3.0	1.9	5.9%	62.7%
Non financial assets	32.0	27.0	2.0	1.5	5.4%	72.8%
Use of goods and services [GFS]	5.0	5.0	1.0	0.4	8.5%	42.4%
235 DEPARTMENT OF EDUCATION	1,162.7	311.8	128.9	93.5	30.0%	72.5%
Operational	1,134.7	283.8	122.4	91.9	32.4%	75.1%
Compensation Of Employees[GFS]	159.2	159.2	42.6	66.3	41.6%	155.4%
Grants	852.9	2.0	2.0	1.4	70.0%	70.0%
Non financial assets	9.1	9.1	7.2	0.8	8.8%	11.1%
Subsidies	3.3	3.3	2.0	0.4	12.5%	20.1%
Use of goods and services [GFS]	110.2	110.2	68.6	23.1	20.9%	33.6%
GoPNG PIP	28.0	28.0	6.5	1.5	5.5%	23.6%
Non financial assets	3.1	3.1	0.2	0.0	0.0%	0.0%
Use of goods and services [GFS]	24.9	24.9	6.4	1.5	6.2%	24.2%
236 DEPARTMENT OF HIGHER EDUCATION RESEARCH SCIENCE & TECHNOLOGY	322.5	353.8	257.1	181.3	51.2%	70.5%
Operational	219.5	262.8	218.3	155.3	59.1%	71.1%
Compensation Of Employees[GFS]	54.4	54.4	19.6	29.0	53.3%	147.6%
Non financial assets	0.0	0.0	0.0	0.0	0.0%	0.0%
Subsidies	95.3	108.2	108.2	50.5	46.7%	46.7%
Use of goods and services [GFS]	69.8	100.1	90.4	75.8	75.7%	83.8%
GoPNG PIP	103.0	91.0	38.8	26.0	28.5%	66.9%
Non financial assets	94.3	82.3	35.6	24.2	29.4%	68.0%
Use of goods and services [GFS]	8.7	8.7	3.2	1.8	20.3%	55.2%
237 PNG NATIONAL COMMISSION FOR UNESCO	0.0	0.0	0.0	0.3	0.0%	0.0%
Operational	0.0	0.0	0.0	0.3	0.0%	0.0%
Compensation Of Employees[GFS]	0.0	0.0	0.0	0.3	0.0%	0.0%
240 DEPARTMENT OF HEALTH	681.0	672.5	278.8	170.0	25.3%	61.0%
Operational	387.0	388.5	197.8	170.0	43.8%	86.0%
Compensation Of Employees[GFS]	67.1	68.6	26.9	37.6	54.8%	139.6%
Grants	0.3	0.3	0.3	0.3	93.8%	93.8%
Non financial assets	3.8	3.8	0.7	0.1	2.7%	14.7%
Subsidies	3.0	3.0	3.0	0.4	14.5%	14.5%
Use of goods and services [GFS]	312.8	312.8	166.8	131.5	42.0%	78.9%
GoPNG PIP	294.0	284.0	81.0	0.0	0.0%	0.0%

Expenditure by Agency	2024 Budget	2024 Revised Budget	Warrant Authorized	June Outcome	Exp/RB [%]	Exp/Wa [%]
Grants	230.0	220.0	60.0	0.0	0.0%	0.0%
Non financial assets	59.2	59.2	19.5	0.0	0.0%	0.0%
Use of goods and services [GFS]	4.8	4.8	1.5	0.0	0.0%	0.0%
241 HOSPITAL MANAGEMENT SERVICES	243.0	243.0	105.4	98.0	40.3%	93.0%
Operational	243.0	243.0	105.4	98.0	40.3%	93.0%
Compensation Of Employees[GFS]	230.5	230.5	100.1	93.9	40.7%	93.8%
Grants	10.3	10.3	4.4	3.4	33.1%	77.1%
Non financial assets	0.3	0.3	0.1	0.1	32.8%	79.7%
Use of goods and services [GFS]	2.0	2.0	0.8	0.6	32.6%	79.6%
242 DEPARTMENT OF COMMUNITY DEVELOPMENT	53.3	51.3	26.6	17.6	34.3%	66.3%
Operational	26.3	26.3	10.6	8.6	32.9%	81.7%
Compensation Of Employees[GFS]	15.2	15.2	5.7	6.8	44.4%	117.9%
Non financial assets	0.1	0.1	0.0	0.0	62.8%	89.4%
Subsidies	0.2	0.2	0.1	0.0	13.0%	23.5%
Use of goods and services [GFS]	10.8	10.8	4.7	1.8	16.9%	38.9%
GoPNG PIP	27.0	25.0	16.0	9.0	35.9%	56.0%
Grants	5.0	5.0	2.0	0.8	15.3%	38.3%
Non financial assets	18.0	16.0	10.0	5.9	37.2%	59.5%
Use of goods and services [GFS]	4.0	4.0	4.0	2.3	56.4%	56.4%
243 NATIONAL VOLUNTEER SERVICES	9.8	9.8	4.8	5.9	59.9%	123.3%
Operational	6.8	6.8	2.8	3.9	56.9%	140.1%
Compensation Of Employees[GFS]	3.5	3.5	1.4	2.8	79.0%	202.6%
Non financial assets	0.2	0.2	0.1	0.1	34.7%	80.7%
Use of goods and services [GFS]	3.1	3.1	1.3	1.0	33.0%	78.2%
GoPNG PIP	3.0	3.0	2.0	2.0	66.7%	100.0%
Non financial assets	2.8	2.8	1.8	1.8	64.3%	100.0%
Use of goods and services [GFS]	0.2	0.2	0.2	0.2	100.0%	100.0%
245 CONSERVATION AND ENVIRONMENT PROTECTION AUTHORITY	14.2	13.2	6.0	2.6	19.7%	43.2%
Operational	8.2	8.2	2.5	2.6	31.6%	103.0%
Compensation Of Employees[GFS]	8.2	8.2	2.5	2.6	31.6%	103.0%
GoPNG PIP	6.0	5.0	3.5	0.0	0.0%	0.0%
Use of goods and services [GFS]	6.0	5.0	3.5	0.0	0.0%	0.0%
246 OFFICE OF URBANIZATION	0.0	0.0	0.0	0.2	0.0%	0.0%
Operational	0.0	0.0	0.0	0.2	0.0%	0.0%
Compensation Of Employees[GFS]	0.0	0.0	0.0	0.2	0.0%	0.0%
247 DEPARTMENT OF AGRICULTURE AND LIVESTOCK	65.0	65.0	16.1	14.3	22.0%	88.8%
Operational	20.0	20.0	10.4	9.6	48.2%	92.5%
Compensation Of Employees[GFS]	14.5	14.5	7.6	7.3	50.8%	96.5%
Non financial assets	0.3	0.5	0.4	0.3	61.6%	81.9%
Use of goods and services [GFS]	5.2	5.0	2.4	2.0	39.3%	81.8%
GoPNG PIP	45.0	45.0	5.7	4.7	10.4%	81.9%
Grants	10.0	10.0	1.0	0.0	0.0%	0.0%
Non financial assets	2.5	2.5	0.0	0.0	0.0%	0.0%

Expenditure by Agency	2024 Budget	2024 Revised Budget	Warrant Authorized	June Outcome	Exp/RB [%]	Exp/Wa [%]
Use of goods and services [GFS]	32.5	32.5	4.7	4.7	14.4%	99.3%
248 SOUTHERN HIGHLANDS PROVINCIAL HEALTH AUTHORITY	0.0	0.0	0.0	0.7	0.0%	0.0%
Operational	0.0	0.0	0.0	0.7	0.0%	0.0%
Compensation Of Employees[GFS]	0.0	0.0	0.0	0.7	0.0%	0.0%
251 PNG SCIENCE & TECHNOLOGY SECRETARIAT	11.3	11.3	3.6	3.5	31.2%	98.9%
Operational	6.3	6.3	2.6	2.5	40.1%	98.5%
Compensation Of Employees[GFS]	2.7	2.7	1.0	1.3	48.3%	125.5%
Non financial assets	0.2	0.2	0.2	0.2	100.0%	100.0%
Use of goods and services [GFS]	3.5	3.5	1.4	1.1	31.3%	78.6%
GoPNG PIP	5.0	5.0	1.0	1.0	20.0%	100.0%
Use of goods and services [GFS]	5.0	5.0	1.0	1.0	20.0%	100.0%
252 DEPARTMENT OF LANDS AND PHYSICAL PLANNING	182.9	187.9	58.3	28.0	14.9%	48.1%
Operational	22.9	27.9	16.3	13.4	48.0%	82.3%
Compensation Of Employees[GFS]	19.8	19.8	10.1	9.4	47.2%	92.6%
Non financial assets	0.6	0.6	0.1	0.0	5.4%	44.6%
Use of goods and services [GFS]	2.5	7.5	6.1	4.0	53.5%	65.6%
GoPNG PIP	160.0	160.0	42.0	14.6	9.1%	34.8%
Use of goods and services [GFS]	160.0	160.0	42.0	14.6	9.1%	34.8%
254 DEPARTMENT OF MINERAL POLICY AND GEOHAZARDS MANAGEMENT	11.8	11.8	5.2	3.4	29.1%	65.5%
Operational	8.8	8.8	4.2	3.3	37.9%	78.6%
Compensation Of Employees[GFS]	5.6	5.6	2.8	2.4	43.3%	86.1%
Non financial assets	0.6	0.6	0.2	0.1	17.5%	43.5%
Use of goods and services [GFS]	2.6	2.6	1.2	0.8	30.6%	67.3%
GoPNG PIP	3.0	3.0	1.0	0.1	3.3%	9.8%
Non financial assets	2.5	2.5	0.5	0.0	0.0%	0.0%
Use of goods and services [GFS]	0.5	0.5	0.5	0.1	19.7%	19.7%
255 DEPARTMENT OF PETROLEUM AND ENERGY	48.2	48.2	22.9	20.0	41.4%	87.2%
Operational	25.2	25.2	11.9	9.7	38.5%	81.4%
Compensation Of Employees[GFS]	11.3	11.3	5.8	5.2	46.2%	90.3%
Non financial assets	0.2	0.2	0.1	0.1	47.2%	80.1%
Use of goods and services [GFS]	13.7	13.7	6.0	4.4	32.1%	73.0%
GoPNG PIP	23.0	23.0	11.0	10.3	44.6%	93.4%
Use of goods and services [GFS]	23.0	23.0	11.0	10.3	44.6%	93.4%
258 DEPARTMENT OF INFORMATION AND COMMUNICATION	22.3	22.3	6.7	3.5	15.5%	51.4%
Operational	8.3	8.3	2.7	3.5	41.5%	126.5%
Compensation Of Employees[GFS]	5.6	5.6	1.9	3.0	53.8%	155.9%
Non financial assets	0.0	0.0	0.0	0.0	0.0%	0.0%
Other Expense	0.0	0.0	0.0	0.0	0.0%	0.0%
Use of goods and services [GFS]	2.7	2.7	0.8	0.4	16.4%	55.8%
GoPNG PIP	14.0	14.0	4.0	0.0	0.0%	0.0%
Non financial assets	11.5	11.5	2.5	0.0	0.0%	0.0%
Use of goods and services [GFS]	2.5	2.5	1.5	0.0	0.0%	0.0%

Expenditure by Agency	2024 Budget	2024 Revised Budget	Warrant Authorized	June Outcome	Exp/RB [%]	Exp/Wa [%]
259 DEPARTMENT OF TRANSPORT	34.5	34.5	9.4	7.9	23.0%	84.7%
Operational	19.5	19.5	7.4	7.9	40.7%	107.7%
Compensation Of Employees[GFS]	15.1	15.1	6.1	7.2	47.4%	116.5%
Non financial assets	0.4	0.4	0.1	0.0	4.1%	24.2%
Use of goods and services [GFS]	4.0	4.0	1.2	0.8	18.9%	65.8%
GoPNG PIP	15.0	15.0	2.0	0.0	0.0%	0.0%
Use of goods and services [GFS]	15.0	15.0	2.0	0.0	0.0%	0.0%
260 ENGA PROVINCIAL HEALTH AUTHORITY	158.0	154.4	0.0	0.0	0.0%	0.0%
Operational	8.0	8.0	0.0	0.0	0.0%	0.0%
Compensation Of Employees[GFS]	2.7	2.7	0.0	0.0	0.0%	0.0%
Use of goods and services [GFS]	5.3	5.3	0.0	0.0	0.0%	0.0%
GoPNG PIP	150.0	146.4	0.0	0.0	0.0%	0.0%
Use of goods and services [GFS]	150.0	146.4	0.0	0.0	0.0%	0.0%
261 DEPARTMENT OF COMMERCE AND INDUSTRY	218.3	153.3	26.0	23.0	15.0%	88.5%
Operational	14.3	14.3	5.0	4.9	34.0%	97.7%
Compensation Of Employees[GFS]	10.4	10.4	3.9	4.2	40.0%	107.9%
Non financial assets	0.3	0.3	0.1	0.0	7.3%	30.9%
Use of goods and services [GFS]	3.6	3.6	1.1	0.7	18.9%	64.8%
GoPNG PIP	204.0	139.0	21.0	18.1	13.0%	86.3%
Use of goods and services [GFS]	204.0	139.0	21.0	18.1	13.0%	86.3%
262 DEPARTMENT OF INDUSTRIAL RELATIONS	52.7	50.7	22.9	10.7	21.1%	46.9%
Operational	28.7	28.7	11.9	10.7	37.2%	90.1%
Compensation Of Employees[GFS]	21.4	21.4	7.8	7.0	32.8%	89.9%
Grants	0.0	0.0	0.0	0.0	0.0%	0.0%
Non financial assets	0.0	0.0	0.0	0.0	78.5%	98.1%
Use of goods and services [GFS]	7.3	7.3	4.0	3.6	49.9%	90.2%
GoPNG PIP	24.0	22.0	11.0	0.0	0.1%	0.3%
Use of goods and services [GFS]	24.0	22.0	11.0	0.0	0.1%	0.3%
263 NATIONAL TRIPARTITE CONSULTATIVE COUNCIL	1.0	1.0	0.6	0.5	49.6%	85.0%
Operational	1.0	1.0	0.6	0.5	49.6%	85.0%
Compensation Of Employees[GFS]	0.6	0.6	0.3	0.3	48.6%	91.0%
Use of goods and services [GFS]	0.4	0.4	0.3	0.2	50.9%	78.4%
264 DEPARTMENT OF WORKS AND IMPLEMENTATION	1,263.0	1,263.0	722.5	623.0	49.3%	86.2%
Operational	126.0	126.0	55.0	49.5	39.3%	90.0%
Compensation Of Employees[GFS]	91.7	91.7	39.7	41.6	45.4%	104.9%
Non financial assets	10.2	10.2	0.6	0.0	0.0%	0.0%
Use of goods and services [GFS]	24.1	24.1	14.7	7.9	32.7%	53.5%
(blank)	0.0	0.0	0.0	0.0	0.0%	0.0%
GoPNG PIP	1,137.0	1,137.0	667.5	573.5	50.4%	85.9%
Non financial assets	955.0	955.0	654.0	571.5	59.8%	87.4%
Use of goods and services [GFS]	182.0	182.0	13.5	2.0	1.1%	14.7%
265 HELA PROVINCIAL HEALTH AUTHORITY	0.0	0.0	0.0	13.0	0.0%	0.0%
Operational	0.0	0.0	0.0	13.0	0.0%	0.0%

Expenditure by Agency	2024 Budget	2024 Revised Budget	Warrant Authorized	June Outcome	Exp/RB [%]	Exp/Wa [%]
Compensation Of Employees[GFS]	0.0	0.0	0.0	13.0	0.0%	0.0%
267 DEPARTMENT OF IMPLEMENTATION AND RURAL DEVELOPMENT	69.9	70.2	63.5	32.8	46.7%	51.6%
Operational	7.9	8.2	3.5	3.2	38.7%	89.4%
Compensation Of Employees[GFS]	6.5	6.8	2.5	2.9	42.7%	117.4%
Non financial assets	0.8	0.8	0.6	0.0	0.0%	0.0%
Use of goods and services [GFS]	0.6	0.6	0.5	0.3	43.1%	52.0%
GoPNG PIP	62.0	62.0	60.0	29.6	47.8%	49.4%
Grants	59.0	59.0	59.0	29.5	50.0%	50.0%
Non financial assets	0.8	0.8	0.3	0.0	0.0%	0.0%
Use of goods and services [GFS]	2.2	2.2	0.7	0.1	6.0%	18.9%
268 CENTRAL SUPPLY & TENDERS BOARD	15.4	15.4	12.0	13.4	86.7%	111.5%
Operational	5.4	5.4	2.0	3.4	62.3%	168.7%
Compensation Of Employees[GFS]	4.1	4.1	1.5	3.1	74.6%	208.3%
Grants	0.0	0.0	0.0	0.0	0.0%	0.0%
Non financial assets	0.3	0.3	0.0	0.0	0.0%	0.0%
Use of goods and services [GFS]	1.0	1.0	0.5	0.3	30.6%	57.1%
GoPNG PIP	10.0	10.0	10.0	10.0	100.0%	100.0%
Non financial assets	4.5	4.5	4.5	4.5	100.0%	100.0%
Use of goods and services [GFS]	5.5	5.5	5.5	5.5	100.0%	100.0%
301 SPECIAL ECONOMIC ZONE AREA	20.0	20.0	11.8	11.1	55.7%	94.1%
Operational	10.0	10.0	1.8	1.1	11.3%	61.8%
Compensation Of Employees[GFS]	6.0	6.0	1.0	0.3	5.0%	30.0%
Non financial assets	1.4	1.4	0.5	0.5	33.0%	100.0%
Use of goods and services [GFS]	2.6	2.6	0.4	0.4	14.3%	100.0%
GoPNG PIP	10.0	10.0	10.0	10.0	100.0%	100.0%
Non financial assets	8.0	8.0	8.0	8.0	100.0%	100.0%
Use of goods and services [GFS]	2.0	2.0	2.0	2.0	100.0%	100.0%
302 COMMUNITY JUSTICE	3.2	3.2	1.4	0.0	0.0%	0.0%
Operational	3.2	3.2	1.4	0.0	0.0%	0.0%
Compensation Of Employees[GFS]	2.2	2.2	0.9	0.0	0.0%	0.0%
Use of goods and services [GFS]	1.1	1.1	0.5	0.0	0.0%	0.0%
350 NATIONAL ENERGY AUTHORITY	23.5	23.5	10.6	7.5	32.1%	71.3%
Operational	16.5	16.5	7.8	4.7	28.8%	61.0%
Compensation Of Employees[GFS]	9.2	9.2	4.1	3.3	36.2%	80.6%
Use of goods and services [GFS]	7.3	7.3	3.6	1.4	19.3%	38.6%
GoPNG PIP	7.0	7.0	2.8	2.8	40.0%	100.0%
Non financial assets	1.0	1.0	0.4	0.4	40.0%	100.0%
Use of goods and services [GFS]	6.0	6.0	2.4	2.4	40.0%	100.0%
351 NATIONAL OFFICE FOR CHILD & FAMILY SERVICES	9.6	11.5	3.5	2.2	19.4%	63.5%
Operational	3.6	5.5	3.2	2.2	40.7%	69.4%
Compensation Of Employees[GFS]	2.6	2.6	1.0	0.1	3.5%	9.3%
Grants	0.4	0.4	0.1	0.1	25.0%	73.4%
Non financial assets	0.0	0.0	0.0	0.0	33.5%	78.6%
Use of goods and services [GFS]	0.6	2.5	2.1	2.0	82.3%	97.0%

Expenditure by Agency	2024 Budget	2024 Revised Budget	Warrant Authorized	June Outcome	Exp/RB [%]	Exp/Wa [%]
GoPNG PIP	6.0	6.0	0.3	0.0	0.0%	0.0%
Non financial assets	2.7	2.7	0.0	0.0	0.0%	0.0%
Use of goods and services [GFS]	3.3	3.3	0.3	0.0	0.0%	0.0%
352 PNG OFFICE OF CIVIL REGISTRATION & NATIONAL IDENTITY	4.2	4.2	0.4	0.4	8.3%	100.0%
Operational	4.2	4.2	0.4	0.4	8.3%	100.0%
Compensation Of Employees[GFS]	3.9	3.9	0.3	0.3	8.3%	100.0%
Use of goods and services [GFS]	0.3	0.3	0.0	0.0	8.3%	100.0%
354 BANK OF PAPUA NEW GUINEA	3.0	53.0	53.0	50.0	94.3%	94.3%
GoPNG PIP	3.0	53.0	53.0	50.0	94.3%	94.3%
Use of goods and services [GFS]	3.0	53.0	53.0	50.0	94.3%	94.3%
355 OFFICE OF LIBRARY & ARCHIVES	13.5	13.5	4.0	4.9	36.5%	123.9%
Operational	10.5	10.5	4.0	4.9	47.0%	123.9%
Compensation Of Employees[GFS]	6.0	6.0	2.1	4.1	67.8%	188.9%
Non financial assets	0.4	0.4	0.2	0.1	22.9%	49.8%
Subsidies	0.3	0.3	0.1	0.1	18.4%	49.4%
Use of goods and services [GFS]	3.9	3.9	1.6	0.7	19.1%	47.5%
GoPNG PIP	3.0	3.0	0.0	0.0	0.0%	0.0%
Non financial assets	2.8	2.8	0.0	0.0	0.0%	0.0%
Use of goods and services [GFS]	0.2	0.2	0.0	0.0	0.0%	0.0%
356 SECURITIES COMMISSION OF PNG	16.7	16.7	8.4	6.8	40.9%	81.0%
Operational	13.7	13.7	7.4	5.8	42.6%	78.4%
Compensation Of Employees[GFS]	7.8	7.8	3.9	3.3	42.2%	84.5%
Use of goods and services [GFS]	5.9	5.9	3.5	2.5	43.1%	71.8%
GoPNG PIP	3.0	3.0	1.0	1.0	33.3%	100.0%
Use of goods and services [GFS]	3.0	3.0	1.0	1.0	33.3%	100.0%
358 MANAN RESETTLEMENT AUTHORITY	23.2	18.2	5.5	4.0	22.0%	72.7%
Operational	3.2	3.2	1.5	0.0	0.0%	0.0%
Compensation Of Employees[GFS]	2.2	2.2	1.0	0.0	0.0%	0.0%
Use of goods and services [GFS]	0.9	0.9	0.5	0.0	0.0%	0.0%
GoPNG PIP	20.0	15.0	4.0	4.0	26.7%	100.0%
Grants	20.0	15.0	4.0	4.0	26.7%	100.0%
359 MT HAGEN CITY AUTHORITY	8.0	8.0	0.0	2.2	27.1%	0.0%
Operational	8.0	8.0	0.0	2.2	27.1%	0.0%
Compensation Of Employees[GFS]	5.0	5.0	0.0	2.2	43.4%	0.0%
Use of goods and services [GFS]	3.0	3.0	0.0	0.0	0.0%	0.0%
360 INDEPENDENT COMMISSION AGAINST CORRUPTION	47.1	47.1	23.3	15.5	32.9%	66.3%
Operational	47.1	47.1	23.3	15.5	32.9%	66.3%
Compensation Of Employees[GFS]	22.8	22.8	11.3	7.5	32.9%	66.3%
Use of goods and services [GFS]	24.3	24.3	12.0	8.0	32.8%	66.4%
361 LAE CITY AUTHORITY	20.0	20.0	10.0	10.0	50.0%	100.0%
Operational	20.0	20.0	10.0	10.0	50.0%	100.0%
Compensation Of Employees[GFS]	5.0	5.0	0.0	0.0	0.0%	0.0%

Expenditure by Agency	2024 Budget	2024 Revised Budget	Warrant Authorized	June Outcome	Exp/RB [%]	Exp/Wa [%]
Grants	15.0	15.0	10.0	10.0	66.7%	100.0%
502 OFFICE OF THE AUDITOR-GENERAL	26.6	26.6	11.1	7.7	28.9%	69.0%
Operational	26.6	26.6	11.1	7.7	28.9%	69.0%
Compensation Of Employees[GFS]	19.4	19.4	8.5	6.5	33.3%	76.5%
Non financial assets	1.0	1.0	0.3	0.1	11.8%	38.4%
Use of goods and services [GFS]	6.1	6.1	2.3	1.1	17.6%	46.2%
503 OMBUDSMAN COMMISSION	42.5	42.5	17.8	14.3	33.7%	80.4%
Operational	37.5	37.5	16.8	13.3	35.5%	79.2%
Compensation Of Employees[GFS]	23.3	23.3	10.4	8.2	35.0%	78.8%
Non financial assets	0.3	0.3	0.1	0.1	28.1%	77.1%
Use of goods and services [GFS]	13.9	13.9	6.4	5.1	36.5%	79.9%
GoPNG PIP	5.0	5.0	1.0	1.0	20.0%	100.0%
Non financial assets	3.5	3.5	0.5	0.5	14.3%	100.0%
Use of goods and services [GFS]	1.5	1.5	0.5	0.5	33.3%	100.0%
505 NATIONAL RESEARCH INSTITUTE	15.8	15.8	5.4	4.5	28.2%	83.3%
Operational	8.8	8.8	3.9	3.0	33.7%	76.8%
Compensation Of Employees[GFS]	6.1	6.1	2.7	2.1	34.1%	77.7%
Use of goods and services [GFS]	2.7	2.7	1.2	0.9	32.7%	74.7%
GoPNG PIP	7.0	7.0	1.5	1.5	21.4%	100.0%
Non financial assets	5.7	5.7	0.8	0.8	14.0%	100.0%
Use of goods and services [GFS]	1.3	1.3	0.7	0.7	53.8%	100.0%
506 NATIONAL TRAINING COUNCIL	2.9	2.9	0.9	0.8	27.6%	84.1%
Operational	2.9	2.9	0.9	0.8	27.6%	84.1%
Compensation Of Employees[GFS]	2.0	2.0	0.6	0.6	30.5%	105.6%
Non financial assets	0.2	0.2	0.0	0.0	16.7%	69.8%
Use of goods and services [GFS]	0.6	0.6	0.3	0.1	21.5%	44.8%
507 NATIONAL ECONOMIC & FISCAL COMMISSION	7.8	7.8	4.4	3.4	43.7%	77.0%
Operational	7.8	7.8	4.4	3.4	43.7%	77.0%
Compensation Of Employees[GFS]	3.0	3.0	1.1	1.1	36.6%	103.4%
Non financial assets	0.0	0.0	0.0	0.0	0.0%	0.0%
Use of goods and services [GFS]	4.7	4.7	3.3	2.3	48.5%	68.6%
510 LEGAL TRAINING INSTITUTE	6.3	6.3	2.2	2.4	38.8%	109.5%
Operational	3.3	3.3	1.2	1.4	43.9%	117.2%
Compensation Of Employees[GFS]	3.1	3.1	1.1	1.4	44.0%	120.9%
Non financial assets	0.0	0.0	0.0	0.0	71.7%	85.8%
Subsidies	0.0	0.0	0.0	0.0	27.7%	61.5%
Use of goods and services [GFS]	0.1	0.1	0.1	0.1	40.9%	72.0%
GoPNG PIP	3.0	3.0	1.0	1.0	33.3%	100.0%
Non financial assets	2.5	2.5	0.5	0.5	20.0%	100.0%
Use of goods and services [GFS]	0.5	0.5	0.5	0.5	100.0%	100.0%
511 PAPUA NEW GUINEA CLIMATE CHANGE AUTHORITY	10.6	10.6	4.2	4.4	41.0%	105.1%
Operational	9.6	9.6	4.0	4.2	43.2%	105.3%
Compensation Of Employees[GFS]	6.2	6.2	2.2	2.8	44.4%	128.2%

Expenditure by Agency	2024 Budget	2024 Revised Budget	Warrant Authorized	June Outcome	Exp/RB [%]	Exp/Wa [%]
Non financial assets	0.1	0.1	0.0	0.0	29.9%	50.0%
Subsidies	0.0	0.0	0.0	0.0	26.8%	76.3%
Use of goods and services [GFS]	3.3	3.3	1.7	1.4	41.2%	78.4%
GoPNG PIP	1.0	1.0	0.2	0.2	20.0%	100.0%
Use of goods and services [GFS]	1.0	1.0	0.2	0.2	20.0%	100.0%
512 UNIVERSITY OF PAPUA NEW GUINEA	90.4	90.4	36.8	28.7	31.7%	78.1%
Operational	80.4	80.4	35.7	27.6	34.3%	77.4%
Compensation Of Employees[GFS]	80.4	80.4	35.7	27.6	34.3%	77.4%
GoPNG PIP	10.0	10.0	1.1	1.1	11.0%	100.0%
Non financial assets	8.1	8.1	0.2	0.2	2.5%	100.0%
Use of goods and services [GFS]	1.9	1.9	0.9	0.9	47.4%	100.0%
513 UNIVERSITY OF TECHNOLOGY	84.6	84.6	35.3	28.6	33.7%	81.0%
Operational	74.6	74.6	34.2	27.5	36.8%	80.4%
Compensation Of Employees[GFS]	71.2	71.2	32.8	26.4	37.1%	80.5%
Subsidies	0.4	0.4	0.1	0.1	28.0%	77.1%
Use of goods and services [GFS]	3.0	3.0	1.2	0.9	30.4%	77.4%
GoPNG PIP	10.0	10.0	1.1	1.1	11.0%	100.0%
Non financial assets	8.4	8.4	0.3	0.3	3.6%	100.0%
Use of goods and services [GFS]	1.6	1.6	0.8	0.8	50.0%	100.0%
514 UNIVERSITY OF GOROKA	51.2	51.2	18.4	15.4	30.1%	83.7%
Operational	44.2	44.2	17.6	14.6	33.1%	83.0%
Compensation Of Employees[GFS]	32.0	32.0	14.2	11.2	34.8%	78.8%
Non financial assets	0.1	0.1	0.0	0.0	36.0%	100.0%
Subsidies	1.5	1.5	0.4	0.4	26.9%	100.0%
Use of goods and services [GFS]	10.6	10.6	3.0	3.0	28.6%	100.0%
GoPNG PIP	7.0	7.0	0.8	0.8	11.4%	100.0%
Non financial assets	5.6	5.6	0.6	0.6	10.7%	100.0%
Use of goods and services [GFS]	1.4	1.4	0.2	0.2	14.3%	100.0%
515 UNIVERSITY OF ENVIRONMENT & NATURAL RESOURCES	41.9	41.9	16.1	12.9	30.9%	80.2%
Operational	34.9	34.9	15.3	12.1	34.9%	79.2%
Compensation Of Employees[GFS]	32.7	32.7	14.5	11.5	35.0%	79.3%
Non financial assets	0.5	0.5	0.2	0.2	34.7%	78.3%
Subsidies	1.0	1.0	0.4	0.3	27.3%	75.2%
Use of goods and services [GFS]	0.6	0.6	0.3	0.2	37.1%	79.7%
GoPNG PIP	7.0	7.0	0.8	0.8	11.4%	100.0%
Non financial assets	5.3	5.3	0.1	0.1	1.9%	100.0%
Use of goods and services [GFS]	1.7	1.7	0.7	0.7	41.2%	100.0%
516 PAPUA NEW GUINEA SPORTS FOUNDATION	38.4	38.4	17.4	17.9	46.5%	102.6%
Operational	15.4	15.4	6.4	6.9	44.6%	107.0%
Compensation Of Employees[GFS]	12.3	12.3	5.1	5.8	47.4%	114.7%
Non financial assets	0.0	0.0	0.0	0.0	34.5%	65.9%
Use of goods and services [GFS]	3.1	3.1	1.3	1.0	33.6%	78.0%
GoPNG PIP	23.0	23.0	11.0	11.0	47.8%	100.0%
Non financial assets	3.0	3.0	1.0	1.0	33.3%	100.0%
Use of goods and services [GFS]	20.0	20.0	10.0	10.0	50.0%	100.0%
517 NATIONAL NARCOTICS BUREAU	0.0	2.7	0.8	0.7	24.2%	77.2%

Expenditure by Agency	2024 Budget	2024 Revised Budget	Warrant Authorized	June Outcome	Exp/RB [%]	Exp/Wa [%]
Operational	0.0	2.7	0.8	0.7	24.2%	77.2%
Compensation Of Employees[GFS]	0.0	2.4	0.7	0.5	22.2%	76.5%
Non financial assets	0.0	0.0	0.0	0.0	66.3%	70.8%
Use of goods and services [GFS]	0.0	0.3	0.1	0.1	39.7%	82.7%
518 PNG MARITIME COLLEGE	11.3	11.3	4.1	3.3	29.0%	80.4%
Operational	8.3	8.3	3.6	2.8	33.4%	77.7%
Compensation Of Employees[GFS]	7.4	7.4	3.2	2.5	33.9%	78.3%
Use of goods and services [GFS]	0.9	0.9	0.4	0.3	29.5%	72.7%
GoPNG PIP	3.0	3.0	0.5	0.5	16.7%	100.0%
Non financial assets	2.7	2.7	0.2	0.2	7.4%	100.0%
Use of goods and services [GFS]	0.3	0.3	0.3	0.3	100.0%	100.0%
519 NATIONAL AIDS COUNCIL SECRETARIAT	7.5	7.5	2.4	1.6	21.1%	66.9%
Operational	5.5	5.5	2.4	1.6	28.8%	66.9%
Compensation Of Employees[GFS]	4.4	4.4	2.0	1.4	31.3%	70.3%
Non financial assets	0.1	0.1	0.0	0.0	8.3%	49.8%
Use of goods and services [GFS]	1.0	1.0	0.4	0.2	20.2%	50.8%
GoPNG PIP	2.0	2.0	0.0	0.0	0.0%	0.0%
Non financial assets	1.8	1.8	0.0	0.0	0.0%	0.0%
Use of goods and services [GFS]	0.2	0.2	0.0	0.0	0.0%	0.0%
520 INSTITUTE OF MEDICAL RESEARCH	20.5	20.5	11.8	10.3	50.1%	87.2%
Operational	15.6	15.6	6.9	5.4	34.4%	78.1%
Compensation Of Employees[GFS]	14.0	14.0	6.2	4.9	34.8%	78.9%
Use of goods and services [GFS]	1.6	1.6	0.7	0.5	30.8%	71.0%
GoPNG PIP	4.9	4.9	4.9	4.9	100.0%	100.0%
Non financial assets	2.8	2.8	2.8	2.8	100.0%	100.0%
Use of goods and services [GFS]	2.1	2.1	2.1	2.1	100.0%	100.0%
521 NATIONAL YOUTH COMMISSION	9.6	11.6	9.0	6.1	52.9%	68.0%
Operational	4.6	6.6	4.0	2.1	32.3%	53.1%
Compensation Of Employees[GFS]	3.9	3.9	1.7	1.9	48.8%	113.2%
Non financial assets	0.0	0.0	0.0	0.0	26.4%	73.0%
Subsidies	0.1	0.1	0.0	0.0	16.7%	100.0%
Use of goods and services [GFS]	0.6	2.6	2.3	0.2	7.9%	9.0%
GoPNG PIP	5.0	5.0	5.0	4.0	80.0%	80.0%
Non financial assets	5.0	5.0	5.0	4.0	80.0%	80.0%
522 CONSTITUTIONAL AND LAW REFORM COMMISSION	28.8	28.8	10.1	5.9	20.4%	58.3%
Operational	18.8	18.8	8.1	3.9	20.6%	48.0%
Compensation Of Employees[GFS]	3.9	3.9	1.5	0.0	1.0%	2.6%
Use of goods and services [GFS]	14.9	14.9	6.6	3.8	25.8%	58.0%
GoPNG PIP	10.0	10.0	2.0	2.0	20.0%	100.0%
Non financial assets	6.0	6.0	0.5	0.5	8.3%	100.0%
Use of goods and services [GFS]	4.0	4.0	1.5	1.5	37.5%	100.0%
523 PAPUA NEW GUINEA ACCIDENTS INVESTIGATION COMMISSION	8.7	8.7	3.4	3.4	39.9%	100.0%
Operational	8.7	8.7	3.4	3.4	39.9%	100.0%

Expenditure by Agency	2024 Budget	2024 Revised Budget	Warrant Authorized	June Outcome	Exp/RB [%]	Exp/Wa [%]
Compensation Of Employees[GFS]	6.4	6.4	2.7	2.7	42.7%	100.0%
Grants	1.0	1.0	0.2	0.2	21.7%	100.0%
Use of goods and services [GFS]	1.3	1.3	0.5	0.5	39.6%	100.0%
524 INDEPENDENT PUBLIC BUSINESS CORPORATION	180.0	180.0	80.0	40.0	22.2%	50.0%
GoPNG PIP	180.0	180.0	80.0	40.0	22.2%	50.0%
Non financial assets	70.0	70.0	40.0	40.0	57.1%	100.0%
Use of goods and services [GFS]	110.0	110.0	40.0	0.0	0.0%	0.0%
525 NATIONAL BROADCASTING COMMISSION	61.5	61.5	24.6	21.6	35.0%	87.8%
Operational	36.5	36.5	18.6	15.6	42.6%	83.8%
Compensation Of Employees[GFS]	30.7	30.7	15.9	13.4	43.6%	84.3%
Non financial assets	1.0	1.0	0.3	0.3	24.8%	74.9%
Use of goods and services [GFS]	4.8	4.8	2.3	1.9	39.7%	82.0%
GoPNG PIP	25.0	25.0	6.0	6.0	24.0%	100.0%
Non financial assets	15.0	15.0	4.8	4.8	31.7%	100.0%
Use of goods and services [GFS]	10.0	10.0	1.3	1.3	12.5%	100.0%
530 INVESTMENT PROMOTION AUTHORITY	2.0	2.0	0.5	0.0	0.0%	0.0%
GoPNG PIP	2.0	2.0	0.5	0.0	0.0%	0.0%
Use of goods and services [GFS]	2.0	2.0	0.5	0.0	0.0%	0.0%
531 SMALL BUSINESS DEVELOPMENT CORPORATION	15.8	15.8	6.5	5.7	36.1%	87.7%
Operational	10.8	10.8	5.5	4.7	43.5%	85.5%
Compensation Of Employees[GFS]	9.1	9.1	4.7	4.0	43.9%	85.1%
Use of goods and services [GFS]	1.7	1.7	0.8	0.7	41.6%	87.4%
GoPNG PIP	5.0	5.0	1.0	1.0	20.0%	100.0%
Non financial assets	4.0	4.0	0.5	0.5	12.5%	100.0%
Use of goods and services [GFS]	1.0	1.0	0.5	0.5	50.0%	100.0%
532 NATIONAL INSTITUTE OF STANDARDS & INDUSTRIAL TECHNOLOGY	15.8	15.8	3.5	3.8	24.1%	109.5%
Operational	9.8	9.8	2.5	2.8	28.6%	113.4%
Compensation Of Employees[GFS]	7.7	7.7	1.7	2.5	32.6%	152.1%
Use of goods and services [GFS]	2.1	2.1	0.8	0.3	14.1%	36.2%
GoPNG PIP	6.0	6.0	1.0	1.0	16.7%	100.0%
Use of goods and services [GFS]	6.0	6.0	1.0	1.0	16.7%	100.0%
533 INDUSTRIAL CENTERS DEVELOPMENT CORPORATION	12.0	12.0	3.5	3.2	26.9%	92.7%
Operational	3.0	3.0	1.5	1.2	40.8%	83.0%
Compensation Of Employees[GFS]	2.5	2.5	1.2	1.0	41.6%	84.0%
Use of goods and services [GFS]	0.5	0.5	0.2	0.2	36.8%	77.7%
GoPNG PIP	9.0	9.0	2.0	2.0	22.2%	100.0%
Non financial assets	8.0	8.0	1.5	1.5	18.8%	100.0%
Use of goods and services [GFS]	1.0	1.0	0.5	0.5	50.0%	100.0%
535 MINERAL RESOURCES AUTHORITY	9.0	9.0	2.5	2.5	27.8%	100.0%
GoPNG PIP	9.0	9.0	2.5	2.5	27.8%	100.0%
Use of goods and services [GFS]	9.0	9.0	2.5	2.5	27.8%	100.0%

Expenditure by Agency	2024 Budget	2024 Revised Budget	Warrant Authorized	June Outcome	Exp/RB [%]	Exp/Wa [%]
536 KOKONAS INDASTRY KOPRATION	42.4	42.4	12.6	11.6	27.4%	92.1%
Operational	11.4	11.4	5.6	4.6	40.6%	82.2%
Compensation Of Employees[GFS]	8.1	8.1	4.0	3.3	41.4%	82.6%
Grants	1.3	1.3	0.5	0.3	25.0%	68.1%
Use of goods and services [GFS]	2.1	2.1	1.1	1.0	47.5%	86.8%
GoPNG PIP	31.0	31.0	7.0	7.0	22.6%	100.0%
Non financial assets	23.5	23.5	4.0	4.0	17.0%	100.0%
Use of goods and services [GFS]	7.5	7.5	3.0	3.0	40.0%	100.0%
537 NATIONAL AIRPORTS CORPORATION	25.0	25.0	6.0	6.0	24.0%	100.0%
GoPNG PIP	25.0	25.0	6.0	6.0	24.0%	100.0%
Use of goods and services [GFS]	25.0	25.0	6.0	6.0	24.0%	100.0%
539 NATIONAL MUSEUM AND ART GALLERY	9.4	9.4	2.3	1.8	18.7%	74.6%
Operational	6.4	6.4	2.3	1.8	27.4%	74.6%
Compensation Of Employees[GFS]	4.9	4.9	1.8	1.5	31.1%	86.5%
Grants	0.1	0.1	0.1	0.0	16.6%	34.5%
Non financial assets	0.1	0.1	0.0	0.0	16.1%	44.4%
Subsidies	0.0	0.0	0.0	0.0	17.1%	48.2%
Use of goods and services [GFS]	1.2	1.2	0.5	0.2	14.8%	38.1%
GoPNG PIP	3.0	3.0	0.0	0.0	0.0%	0.0%
Non financial assets	3.0	3.0	0.0	0.0	0.0%	0.0%
540 WATER PNG	13.0	13.0	1.5	1.5	11.5%	100.0%
GoPNG PIP	13.0	13.0	1.5	1.5	11.5%	100.0%
Non financial assets	11.0	11.0	1.0	1.0	9.1%	100.0%
Use of goods and services [GFS]	2.0	2.0	0.5	0.5	25.0%	100.0%
541 NATIONAL HOUSING CORPORATION	50.7	54.2	9.2	10.7	19.8%	116.2%
Operational	19.7	23.2	9.2	10.7	46.2%	116.2%
Compensation Of Employees[GFS]	14.7	14.7	3.4	5.3	35.9%	156.0%
Grants	2.0	2.0	1.1	1.1	52.5%	100.0%
Use of goods and services [GFS]	3.0	6.5	4.8	4.4	67.4%	91.7%
GoPNG PIP	31.0	31.0	0.0	0.0	0.0%	0.0%
Non financial assets	25.0	25.0	0.0	0.0	0.0%	0.0%
Use of goods and services [GFS]	6.0	6.0	0.0	0.0	0.0%	0.0%
542 NATIONAL CULTURAL COMMISSION	9.4	12.4	5.1	6.1	49.1%	119.6%
Operational	6.4	9.4	5.1	6.1	64.8%	119.6%
Compensation Of Employees[GFS]	4.3	4.3	1.2	2.4	56.0%	197.6%
Non financial assets	0.2	0.2	0.1	0.1	35.0%	77.8%
Subsidies	0.1	0.1	0.0	0.0	32.4%	76.4%
Use of goods and services [GFS]	1.8	4.8	3.7	3.6	74.6%	95.5%
GoPNG PIP	3.0	3.0	0.0	0.0	0.0%	0.0%
Non financial assets	2.8	2.8	0.0	0.0	0.0%	0.0%
Use of goods and services [GFS]	0.2	0.2	0.0	0.0	0.0%	0.0%
544 PNG DATACO	9.0	9.0	2.0	2.0	22.2%	100.0%
GoPNG PIP	9.0	9.0	2.0	2.0	22.2%	100.0%
Non financial assets	8.5	8.5	1.5	1.5	17.6%	100.0%
Use of goods and services [GFS]	0.5	0.5	0.5	0.5	100.0%	100.0%
545 RURAL AIRSTRIP AUTHORITY	12.3	12.3	3.2	3.0	24.4%	93.8%

Expenditure by Agency	2024 Budget	2024 Revised Budget	Warrant Authorized	June Outcome	Exp/RB [%]	Exp/Wa [%]
Operational	2.3	2.3	1.2	1.0	43.9%	83.3%
Use of goods and services [GFS]	2.3	2.3	1.2	1.0	43.9%	83.3%
GoPNG PIP	10.0	10.0	2.0	2.0	20.0%	100.0%
Non financial assets	10.0	10.0	2.0	2.0	20.0%	100.0%
546 PNG POWER LIMITED	95.0	95.0	49.4	24.4	25.7%	49.4%
GoPNG PIP	95.0	95.0	49.4	24.4	25.7%	49.4%
Non financial assets	51.0	30.8	9.9	9.9	32.2%	100.0%
Use of goods and services [GFS]	44.0	64.3	39.5	14.5	22.6%	36.7%
547 TELIKOM (PNG) LIMITED	7.0	7.0	7.0	7.0	100.0%	100.0%
GoPNG PIP	7.0	7.0	7.0	7.0	100.0%	100.0%
Use of goods and services [GFS]	7.0	7.0	7.0	7.0	100.0%	100.0%
548 PNG HARBOURS BOARD	5.0	5.0	1.0	1.0	20.0%	100.0%
GoPNG PIP	5.0	5.0	1.0	1.0	20.0%	100.0%
Non financial assets	5.0	5.0	1.0	1.0	20.0%	100.0%
551 NATIONAL FISHERIES AUTHORITY	15.0	15.0	3.0	3.0	20.0%	100.0%
GoPNG PIP	15.0	15.0	3.0	3.0	20.0%	100.0%
Use of goods and services [GFS]	15.0	15.0	3.0	3.0	20.0%	100.0%
553 FRESH PRODUCE DEVELOPMENT COMPANY	21.6	21.6	7.9	7.2	33.6%	91.2%
Operational	7.6	7.6	3.9	3.2	42.8%	82.2%
Compensation Of Employees[GFS]	5.7	5.7	3.0	2.5	44.1%	83.3%
Non financial assets	0.0	0.0	0.0	0.0	100.0%	100.0%
Use of goods and services [GFS]	1.9	1.9	0.9	0.7	38.3%	78.1%
GoPNG PIP	14.0	14.0	4.0	4.0	28.6%	100.0%
Non financial assets	1.0	1.0	0.3	0.3	25.0%	100.0%
Use of goods and services [GFS]	13.0	13.0	3.8	3.8	28.8%	100.0%
554 PNG COFFEE INDUSTRY CORPORATION	56.3	61.3	23.7	17.6	28.8%	74.3%
Operational	13.3	18.3	11.7	5.6	30.8%	48.1%
Compensation Of Employees[GFS]	8.8	8.8	4.5	3.8	42.7%	84.3%
Use of goods and services [GFS]	4.5	9.5	7.3	1.9	19.9%	25.9%
GoPNG PIP	43.0	43.0	12.0	12.0	27.9%	100.0%
Non financial assets	29.0	29.0	4.0	4.0	13.8%	100.0%
Use of goods and services [GFS]	14.0	14.0	8.0	8.0	57.1%	100.0%
557 PNG NATIONAL FOREST AUTHORITY	65.9	90.9	46.0	41.0	45.1%	89.1%
Operational	60.9	70.9	41.0	36.0	50.8%	87.8%
Compensation Of Employees[GFS]	56.3	56.3	28.9	24.3	43.2%	84.1%
Non financial assets	0.3	0.3	0.0	0.0	18.3%	100.0%
Use of goods and services [GFS]	4.4	14.4	12.1	11.7	81.2%	96.7%
GoPNG PIP	5.0	20.0	5.0	5.0	25.0%	100.0%
Use of goods and services [GFS]	5.0	20.0	5.0	5.0	25.0%	100.0%
558 TOURISM PROMOTION AUTHORITY	35.4	35.4	8.9	8.0	22.5%	89.9%
Operational	10.4	10.4	4.9	4.0	38.1%	81.5%
Compensation Of Employees[GFS]	7.0	7.0	3.4	2.8	40.8%	82.6%
Non financial assets	0.2	0.2	0.1	0.0	19.4%	40.6%
Subsidies	0.0	0.0	0.0	0.0	20.0%	70.5%
Use of goods and services [GFS]	3.3	3.3	1.3	1.1	33.6%	81.7%
GoPNG PIP	25.0	25.0	4.0	4.0	16.0%	100.0%
Non financial assets	9.0	9.0	1.0	1.0	11.1%	100.0%

Expenditure by Agency	2024 Budget	2024 Revised Budget	Warrant Authorized	June Outcome	Exp/RB [%]	Exp/Wa [%]
Use of goods and services [GFS]	16.0	16.0	3.0	3.0	18.8%	100.0%
559 PNG OIL PALM INDUSTRY CORPORATION	52.0	52.0	3.6	2.9	5.7%	80.8%
Operational	8.0	8.0	3.6	2.9	36.7%	80.8%
Compensation Of Employees[GFS]	4.5	4.5	2.2	1.8	39.7%	81.8%
Use of goods and services [GFS]	3.5	3.5	1.5	1.2	32.9%	79.3%
GoPNG PIP	44.0	44.0	0.0	0.0	0.0%	0.0%
Non financial assets	28.0	28.0	0.0	0.0	0.0%	0.0%
Use of goods and services [GFS]	16.0	16.0	0.0	0.0	0.0%	0.0%
561 NATIONAL TRADE OFFICE	10.1	13.7	9.9	9.2	67.2%	92.8%
Operational	7.1	7.1	3.3	2.6	36.6%	78.5%
Compensation Of Employees[GFS]	3.6	3.6	1.6	1.2	34.7%	75.1%
Use of goods and services [GFS]	3.5	3.5	1.7	1.4	38.5%	81.8%
GoPNG PIP	3.0	6.6	6.6	6.6	100.0%	100.0%
Use of goods and services [GFS]	3.0	6.6	6.6	6.6	100.0%	100.0%
562 NATIONAL AGRICULTURE RESEARCH INSTITUTE	27.5	27.5	11.8	10.4	37.8%	88.1%
Operational	17.5	17.5	8.8	7.4	42.3%	84.1%
Compensation Of Employees[GFS]	12.5	12.5	6.3	5.3	42.5%	84.1%
Use of goods and services [GFS]	5.0	5.0	2.5	2.1	41.8%	83.9%
GoPNG PIP	10.0	10.0	3.0	3.0	30.0%	100.0%
Non financial assets	4.0	4.0	1.3	1.3	31.3%	100.0%
Use of goods and services [GFS]	6.0	6.0	1.8	1.8	29.2%	100.0%
563 NATIONAL AGRICULTURE QUARANTINE & INSPECTION AUTHORITY	14.4	14.4	3.4	6.4	44.4%	186.3%
Operational	14.4	14.4	3.4	6.4	44.4%	186.3%
Compensation Of Employees[GFS]	9.4	9.4	0.9	5.4	57.5%	583.8%
Use of goods and services [GFS]	5.0	5.0	2.5	1.0	20.0%	40.0%
565 CIVIL AVIATION SAFETY AUTHORITY	15.5	15.5	7.8	6.5	42.2%	84.1%
Operational	15.5	15.5	7.8	6.5	42.2%	84.1%
Compensation Of Employees[GFS]	15.2	15.2	7.7	6.5	42.6%	84.4%
Use of goods and services [GFS]	0.3	0.3	0.1	0.1	19.8%	59.7%
566 COCOA BOARD	42.2	42.5	5.6	6.5	15.2%	116.4%
Operational	15.2	15.5	5.6	6.5	41.7%	116.4%
Compensation Of Employees[GFS]	10.8	11.1	3.6	5.8	51.8%	161.4%
Grants	2.3	2.3	1.1	0.3	13.7%	27.7%
Use of goods and services [GFS]	2.1	2.1	0.9	0.4	19.2%	47.1%
GoPNG PIP	27.0	27.0	0.0	0.0	0.0%	0.0%
Non financial assets	16.0	16.0	0.0	0.0	0.0%	0.0%
Use of goods and services [GFS]	11.0	11.0	0.0	0.0	0.0%	0.0%
568 LIVESTOCK DEVELOPMENT CORPORATION	41.6	41.6	3.4	1.8	4.2%	52.1%
Operational	6.6	6.6	3.4	1.8	26.5%	52.1%
Compensation Of Employees[GFS]	4.0	4.0	2.0	1.0	25.8%	52.5%
Use of goods and services [GFS]	2.6	2.6	1.4	0.7	27.6%	51.4%
GoPNG PIP	35.0	35.0	0.0	0.0	0.0%	0.0%
Non financial assets	28.0	28.0	0.0	0.0	0.0%	0.0%

Expenditure by Agency	2024 Budget	2024 Revised Budget	Warrant Authorized	June Outcome	Exp/RB [%]	Exp/Wa [%]
Use of goods and services [GFS]	7.0	7.0	0.0	0.0	0.0%	0.0%
569 INDEPENDENT CONSUMER AND COMPETITION COMMISSION	14.6	14.6	6.9	5.8	39.7%	84.0%
Operational	12.6	12.6	6.5	5.4	42.9%	83.0%
Compensation Of Employees[GFS]	9.8	9.8	5.2	4.4	45.1%	84.6%
Non financial assets	0.1	0.1	0.1	0.0	60.7%	60.7%
Use of goods and services [GFS]	2.7	2.7	1.2	0.9	34.5%	77.1%
GoPNG PIP	2.0	2.0	0.4	0.4	20.0%	100.0%
Use of goods and services [GFS]	2.0	2.0	0.4	0.4	20.0%	100.0%
571 FLY RIVER PROVINCIAL ADMINISTRATION	169.5	171.5	87.5	84.0	49.0%	96.1%
Operational	107.9	107.9	51.5	48.0	44.5%	93.3%
Compensation Of Employees[GFS]	78.5	78.5	35.9	36.2	46.1%	100.8%
Grants	29.4	29.4	15.6	11.9	40.4%	76.1%
GoPNG PIP	61.6	63.6	36.0	36.0	56.6%	100.0%
Grants	41.6	43.6	29.0	29.0	66.5%	100.0%
Use of goods and services [GFS]	20.0	20.0	7.0	7.0	35.0%	100.0%
572 GULF PROVINCIAL ADMINISTRATION	115.5	119.5	60.7	53.7	44.9%	88.4%
Operational	65.2	65.2	30.7	28.7	44.0%	93.4%
Compensation Of Employees[GFS]	41.2	41.2	18.7	19.3	46.9%	103.6%
Grants	23.9	23.9	12.0	9.3	39.1%	77.5%
GoPNG PIP	50.3	54.3	30.0	25.0	46.0%	83.3%
Grants	10.3	14.3	11.0	11.0	76.9%	100.0%
Use of goods and services [GFS]	40.0	40.0	19.0	14.0	35.0%	73.7%
573 CENTRAL PROVINCIAL ADMINISTRATION	229.1	209.2	105.5	101.5	48.5%	96.2%
Operational	144.1	144.2	68.5	64.5	44.7%	94.1%
Compensation Of Employees[GFS]	104.6	104.6	47.6	48.6	46.5%	102.2%
Grants	39.5	39.7	20.9	15.9	40.1%	75.9%
GoPNG PIP	85.0	65.0	37.0	37.0	56.9%	100.0%
Grants	10.0	10.0	6.0	6.0	60.0%	100.0%
Non financial assets	3.0	3.0	0.0	0.0	0.0%	0.0%
Use of goods and services [GFS]	72.0	52.0	31.0	31.0	59.6%	100.0%
574 NATIONAL CAPITAL DISTRICT	85.1	85.1	59.5	58.5	68.7%	98.3%
Operational	7.1	7.1	4.5	3.5	49.1%	77.2%
Compensation Of Employees[GFS]	0.0	0.0	0.0	0.0	0.0%	0.0%
Grants	7.1	7.1	4.5	3.5	49.4%	77.6%
GoPNG PIP	78.0	78.0	55.0	55.0	70.5%	100.0%
Compensation Of Employees[GFS]	0.8	0.8	0.0	0.0	0.0%	0.0%
Grants	40.0	40.0	30.0	30.0	75.0%	100.0%
Non financial assets	19.8	19.8	18.0	18.0	90.9%	100.0%
Use of goods and services [GFS]	17.4	17.4	7.0	7.0	40.2%	100.0%
575 MILNE BAY PROVINCIAL ADMINISTRATION	181.5	191.5	101.2	101.1	52.8%	99.9%
Operational	131.5	141.5	71.2	71.1	50.2%	99.8%
Compensation Of Employees[GFS]	98.2	98.2	44.3	47.6	48.5%	107.5%
Grants	33.4	33.4	16.9	13.5	40.4%	79.7%

Expenditure by Agency	2024 Budget	2024 Revised Budget	Warrant Authorized	June Outcome	Exp/RB [%]	Exp/Wa [%]
Use of goods and services [GFS]	0.0	10.0	10.0	10.0	100.0%	100.0%
GoPNG PIP	50.0	50.0	30.0	30.0	60.0%	100.0%
Grants	50.0	50.0	30.0	30.0	60.0%	100.0%
576 ORO PROVINCIAL ADMINISTRATION	127.4	142.4	71.1	57.9	40.6%	81.4%
Operational	72.4	82.4	44.1	31.9	38.7%	72.3%
Compensation Of Employees[GFS]	49.4	49.4	22.1	23.1	46.9%	104.7%
Grants	23.0	23.0	12.0	8.7	37.9%	72.9%
Use of goods and services [GFS]	0.0	10.0	10.0	0.0	0.0%	0.0%
GoPNG PIP	55.0	60.0	27.0	26.0	43.3%	96.3%
Grants	40.0	45.0	27.0	26.0	57.8%	96.3%
Use of goods and services [GFS]	15.0	15.0	0.0	0.0	0.0%	0.0%
577 SOUTHERN HIGHLANDS PROVINCIAL ADMINISTRATION	244.8	258.9	146.0	156.0	60.3%	106.8%
Operational	179.1	179.2	82.0	92.0	51.4%	112.2%
Compensation Of Employees[GFS]	149.2	149.2	66.4	80.4	53.8%	121.0%
Grants	29.8	29.9	15.6	11.7	38.9%	74.8%
GoPNG PIP	65.7	79.7	64.0	64.0	80.3%	100.0%
Grants	61.0	75.0	60.0	60.0	80.0%	100.0%
Non financial assets	2.7	2.7	2.0	2.0	74.1%	100.0%
Use of goods and services [GFS]	2.0	2.0	2.0	2.0	100.0%	100.0%
578 ENGA PROVINCIAL ADMINISTRATION	232.1	278.7	166.9	164.4	59.0%	98.5%
Operational	148.6	170.2	91.7	99.1	58.2%	108.1%
Compensation Of Employees[GFS]	106.6	106.6	48.7	62.7	58.8%	128.8%
Grants	42.0	63.6	43.0	36.4	57.3%	84.7%
GoPNG PIP	83.5	108.5	75.3	65.3	60.2%	86.7%
Grants	68.5	70.5	45.3	45.3	64.3%	100.0%
Non financial assets	3.0	3.0	0.0	0.0	0.0%	0.0%
Use of goods and services [GFS]	12.0	35.0	30.0	20.0	57.1%	66.6%
579 WESTERN HIGHLANDS PROVINCIAL ADMINISTRATION	209.5	224.5	116.7	126.9	56.6%	108.8%
Operational	159.5	159.5	72.7	82.9	52.0%	114.2%
Compensation Of Employees[GFS]	147.4	147.4	66.2	78.7	53.4%	118.9%
Grants	12.0	12.0	6.5	4.3	35.5%	65.9%
GoPNG PIP	50.0	65.0	44.0	44.0	67.7%	100.0%
Grants	0.0	15.0	15.0	15.0	100.0%	100.0%
Use of goods and services [GFS]	50.0	50.0	29.0	29.0	58.0%	100.0%
580 SIMBU PROVINCIAL ADMINISTRATION	222.5	223.1	124.4	128.5	57.6%	103.3%
Operational	152.5	153.1	71.4	75.5	49.3%	105.8%
Compensation Of Employees[GFS]	115.4	115.4	51.7	60.5	52.5%	117.0%
Grants	37.1	37.7	19.7	15.0	39.8%	76.3%
GoPNG PIP	70.0	70.0	53.0	53.0	75.7%	100.0%
Use of goods and services [GFS]	70.0	70.0	53.0	53.0	75.7%	100.0%
581 EASTERN HIGHLANDS PROVINCIAL ADMINISTRATION	306.1	326.1	184.4	190.8	58.5%	103.5%
Operational	206.1	206.1	98.4	104.8	50.9%	106.5%
Compensation Of Employees[GFS]	159.5	159.5	71.6	89.3	56.0%	124.7%
Grants	46.7	46.7	26.8	15.5	33.2%	57.9%
GoPNG PIP	100.0	120.0	86.0	86.0	71.7%	100.0%

Expenditure by Agency	2024 Budget	2024 Revised Budget	Warrant Authorized	June Outcome	Exp/RB [%]	Exp/Wa [%]
Grants	82.0	82.0	59.0	59.0	72.0%	100.0%
Non financial assets	5.0	5.0	0.0	0.0	0.0%	0.0%
Use of goods and services [GFS]	13.0	33.0	27.0	27.0	81.8%	100.0%
582 MOROBE PROVINCIAL ADMINISTRATION	368.7	368.7	187.6	195.4	53.0%	104.1%
Operational	251.7	251.7	111.6	120.4	47.8%	107.9%
Compensation Of Employees[GFS]	232.3	232.3	101.5	114.3	49.2%	112.6%
Grants	19.4	19.4	10.1	6.1	31.3%	60.0%
GoPNG PIP	117.0	117.0	76.0	75.0	64.1%	98.7%
Grants	2.0	2.0	0.0	0.0	0.0%	0.0%
Use of goods and services [GFS]	115.0	115.0	76.0	75.0	65.2%	98.7%
583 MADANG PROVINCIAL ADMINISTRATION	295.7	297.7	135.6	131.9	44.3%	97.3%
Operational	195.7	195.7	92.6	89.9	46.0%	97.1%
Compensation Of Employees[GFS]	152.5	152.5	68.6	76.0	49.8%	110.8%
Grants	43.2	43.2	24.0	14.0	32.3%	58.1%
GoPNG PIP	100.0	102.0	43.0	42.0	41.2%	97.7%
Grants	60.0	62.0	37.0	36.0	58.1%	97.3%
Use of goods and services [GFS]	40.0	40.0	6.0	6.0	15.0%	100.0%
584 EAST SEPIK PROVINCIAL ADMINISTRATION	273.7	275.8	141.1	146.6	53.2%	103.9%
Operational	203.7	205.8	98.1	103.6	50.4%	105.7%
Compensation Of Employees[GFS]	142.0	142.0	64.0	84.5	59.5%	131.9%
Grants	61.7	63.8	34.0	19.1	30.0%	56.2%
GoPNG PIP	70.0	70.0	43.0	43.0	61.4%	100.0%
Grants	60.0	60.0	36.0	36.0	60.0%	100.0%
Use of goods and services [GFS]	10.0	10.0	7.0	7.0	70.0%	100.0%
585 SANDAUN PROVINCIAL ADMINISTRATION	170.5	170.5	84.4	81.1	47.6%	96.1%
Operational	120.5	120.5	58.4	56.1	46.6%	96.1%
Compensation Of Employees[GFS]	80.4	80.4	35.9	43.4	54.0%	120.9%
Grants	40.1	40.1	22.5	12.7	31.6%	56.5%
GoPNG PIP	50.0	50.0	26.0	25.0	50.0%	96.2%
Grants	50.0	50.0	26.0	25.0	50.0%	96.2%
586 MANUS PROVINCIAL ADMINISTRATION	77.6	77.6	41.6	40.0	51.6%	96.3%
Operational	57.6	57.6	26.6	25.0	43.5%	94.3%
Compensation Of Employees[GFS]	39.3	39.3	17.7	19.5	49.6%	110.2%
Grants	18.3	18.3	8.9	5.6	30.3%	62.6%
GoPNG PIP	20.0	20.0	15.0	15.0	75.0%	100.0%
Grants	20.0	20.0	15.0	15.0	75.0%	100.0%
587 NEW IRELAND PROVINCIAL ADMINISTRATION	127.0	127.0	67.4	69.3	54.5%	102.7%
Operational	90.0	90.0	41.4	43.3	48.1%	104.5%
Compensation Of Employees[GFS]	78.1	78.1	35.3	39.0	49.9%	110.5%
Grants	11.9	11.9	6.1	4.3	35.8%	69.6%
GoPNG PIP	37.0	37.0	26.0	26.0	70.3%	100.0%
Grants	32.0	32.0	21.0	21.0	65.6%	100.0%
Use of goods and services [GFS]	5.0	5.0	5.0	5.0	100.0%	100.0%
588 EAST NEW BRITAIN PROVINCIAL ADMINISTRATION	202.8	206.3	111.2	117.8	57.1%	105.9%

Expenditure by Agency	2024 Budget	2024 Revised Budget	Warrant Authorized	June Outcome	Exp/RB [%]	Exp/Wa [%]
Operational	152.8	152.8	69.7	76.3	49.9%	109.4%
Compensation Of Employees[GFS]	125.9	125.9	56.3	67.9	53.9%	120.5%
Grants	26.9	26.9	13.4	8.4	31.2%	62.6%
GoPNG PIP	50.0	53.5	41.5	41.5	77.6%	100.0%
Grants	50.0	53.5	41.5	41.5	77.6%	100.0%
589 WEST NEW BRITAIN PROVINCIAL ADMINISTRATION	195.6	197.6	98.8	99.1	50.2%	100.3%
Operational	140.6	140.6	67.8	69.1	49.2%	101.9%
Compensation Of Employees[GFS]	96.9	96.9	44.3	55.1	56.9%	124.5%
Grants	43.7	43.7	23.6	14.0	32.0%	59.4%
GoPNG PIP	55.0	57.0	31.0	30.0	52.6%	96.8%
Grants	40.0	42.0	31.0	30.0	71.4%	96.8%
Non financial assets	14.0	14.0	0.0	0.0	0.0%	0.0%
Use of goods and services [GFS]	1.0	1.0	0.0	0.0	0.0%	0.0%
590 AUTONOMOUS BOUGAINVILLE ADMINISTRATION	415.1	415.2	180.1	179.7	43.3%	99.7%
Operational	175.1	175.2	83.1	82.7	47.2%	99.5%
Compensation Of Employees[GFS]	140.7	140.7	67.0	73.3	52.1%	109.4%
Grants	34.4	34.5	16.1	9.4	27.3%	58.3%
GoPNG PIP	240.0	240.0	97.0	97.0	40.4%	100.0%
Grants	40.0	40.0	30.0	30.0	75.0%	100.0%
Non financial assets	100.0	100.0	42.0	42.0	42.0%	100.0%
Use of goods and services [GFS]	100.0	100.0	25.0	25.0	25.0%	100.0%
591 HELA PROVINCIAL ADMINISTRATION	138.2	168.2	104.7	89.1	53.0%	85.1%
Operational	81.2	81.2	37.7	42.1	51.8%	111.6%
Compensation Of Employees[GFS]	56.1	56.1	25.1	34.4	61.3%	136.7%
Grants	25.1	25.1	12.6	7.7	30.8%	61.5%
GoPNG PIP	57.0	87.0	67.0	47.0	54.0%	70.1%
Grants	51.0	61.0	47.0	47.0	77.0%	100.0%
Non financial assets	2.0	2.0	0.0	0.0	0.0%	0.0%
Use of goods and services [GFS]	4.0	24.0	20.0	0.0	0.0%	0.0%
592 JIWAKA PROVINCIAL ADMINISTRATION	163.3	183.3	108.9	109.2	59.6%	100.2%
Operational	123.3	123.3	57.9	59.2	48.0%	102.2%
Compensation Of Employees[GFS]	90.8	90.8	40.6	49.0	53.9%	120.6%
Grants	32.4	32.4	17.3	10.2	31.5%	59.0%
GoPNG PIP	40.0	60.0	51.0	50.0	83.3%	98.0%
Grants	40.0	60.0	51.0	50.0	83.3%	98.0%
601 MANUS PROVINCIAL HEALTH AUTHORITY	29.2	29.2	10.6	11.2	38.2%	105.7%
Operational	24.2	24.2	9.1	10.7	44.0%	117.7%
Compensation Of Employees[GFS]	15.8	15.8	6.0	8.5	53.6%	141.9%
Grants	3.9	3.9	1.2	0.9	22.5%	74.5%
Non financial assets	0.2	0.2	0.1	0.0	27.3%	71.0%
Use of goods and services [GFS]	4.3	4.3	1.8	1.3	29.2%	68.5%
GoPNG PIP	5.0	5.0	1.5	0.5	10.0%	33.3%
Non financial assets	4.5	4.5	1.0	0.0	0.0%	0.0%
Use of goods and services [GFS]	0.5	0.5	0.5	0.5	100.0%	100.0%

Expenditure by Agency	2024 Budget	2024 Revised Budget	Warrant Authorized	June Outcome	Exp/RB [%]	Exp/Wa [%]
602 NEW IRELAND PROVINCIAL HEALTH AUTHORITY	54.4	54.4	21.6	22.2	40.7%	102.6%
Operational	49.4	49.4	19.1	19.7	39.8%	102.9%
Compensation Of Employees[GFS]	35.2	35.2	13.0	14.8	42.2%	114.3%
Grants	4.3	4.3	1.6	1.3	30.6%	80.5%
Non financial assets	0.0	0.0	0.0	0.0	36.0%	82.7%
Use of goods and services [GFS]	9.9	9.9	4.5	3.5	35.4%	78.2%
GoPNG PIP	5.0	5.0	2.5	2.5	50.0%	100.0%
Non financial assets	4.5	4.5	2.0	2.0	44.4%	100.0%
Use of goods and services [GFS]	0.5	0.5	0.5	0.5	100.0%	100.0%
603 EAST NEW BRITAIN PROVINCIAL HEALTH AUTHORITY	48.8	50.5	18.0	27.8	55.0%	154.1%
Operational	43.8	45.5	17.5	27.3	59.9%	155.7%
Compensation Of Employees[GFS]	34.0	35.7	13.3	23.9	67.0%	180.2%
Grants	4.1	4.1	1.7	1.4	33.7%	80.0%
Non financial assets	0.1	0.1	0.0	0.0	32.3%	82.3%
Use of goods and services [GFS]	5.7	5.7	2.5	1.9	34.3%	77.9%
GoPNG PIP	5.0	5.0	0.5	0.5	10.0%	100.0%
Non financial assets	4.5	4.5	0.0	0.0	0.0%	0.0%
Use of goods and services [GFS]	0.5	0.5	0.5	0.5	100.0%	100.0%
604 WEST NEW BRITAIN PROVINCIAL HEALTH AUTHORITY	61.2	61.7	23.7	29.2	47.3%	123.0%
Operational	61.2	61.7	23.7	29.2	47.3%	123.0%
Compensation Of Employees[GFS]	44.0	44.6	16.4	23.5	52.6%	143.2%
Grants	7.0	7.0	3.0	2.3	33.4%	76.9%
Non financial assets	0.2	0.2	0.1	0.1	33.4%	80.0%
Use of goods and services [GFS]	9.9	9.9	4.2	3.4	33.7%	79.2%
605 WESTERN PROVINCIAL HEALTH AUTHORITY	38.8	38.8	13.6	19.0	49.0%	140.1%
Operational	33.8	33.8	13.1	18.5	54.8%	141.7%
Compensation Of Employees[GFS]	18.9	18.9	6.7	13.6	71.7%	201.9%
Grants	6.0	6.0	2.8	2.2	36.1%	77.4%
Non financial assets	0.0	0.0	0.0	0.0	26.0%	75.1%
Use of goods and services [GFS]	8.8	8.8	3.5	2.8	31.5%	78.5%
GoPNG PIP	5.0	5.0	0.5	0.5	10.0%	100.0%
Non financial assets	4.8	4.8	0.3	0.3	5.3%	100.0%
Use of goods and services [GFS]	0.3	0.3	0.3	0.3	100.0%	100.0%
606 SANDAUN PROVINCIAL HEALTH AUTHORITY	54.7	54.7	20.3	24.0	43.8%	118.1%
Operational	50.7	50.7	19.8	23.5	46.3%	118.5%
Compensation Of Employees[GFS]	31.6	31.6	11.6	17.1	54.0%	147.2%
Grants	9.5	9.5	3.9	2.9	30.9%	74.6%
Non financial assets	0.2	0.2	0.1	0.1	34.8%	78.5%
Use of goods and services [GFS]	9.4	9.4	4.2	3.4	36.2%	81.3%
GoPNG PIP	4.0	4.0	0.5	0.5	12.5%	100.0%
Non financial assets	3.6	3.6	0.1	0.1	2.8%	100.0%
Use of goods and services [GFS]	0.4	0.4	0.4	0.4	100.0%	100.0%
607 EAST SEPIK PROVINCIAL HEALTH AUTHORITY	58.4	58.4	22.1	33.7	57.8%	152.2%

Expenditure by Agency	2024 Budget	2024 Revised Budget	Warrant Authorized	June Outcome	Exp/RB [%]	Exp/Wa [%]
Operational	48.4	48.4	19.1	30.7	63.5%	160.4%
Compensation Of Employees[GFS]	29.3	29.3	10.9	24.4	83.4%	223.2%
Grants	8.6	8.6	3.5	2.7	31.9%	77.4%
Non financial assets	0.3	0.3	0.1	0.1	34.5%	78.5%
Use of goods and services [GFS]	10.2	10.2	4.5	3.4	33.7%	76.0%
GoPNG PIP	10.0	10.0	3.0	3.0	30.0%	100.0%
Non financial assets	9.7	9.7	2.7	2.7	27.8%	100.0%
Use of goods and services [GFS]	0.3	0.3	0.3	0.3	100.0%	100.0%
608 MADANG PROVINCIAL HEALTH AUTHORITY	54.7	57.2	21.1	30.3	53.0%	143.9%
Operational	49.7	52.2	20.6	29.8	57.2%	145.0%
Compensation Of Employees[GFS]	32.8	35.3	13.4	24.3	68.8%	180.8%
Grants	8.3	8.3	2.7	2.1	25.7%	78.8%
Non financial assets	0.4	0.4	0.2	0.1	34.2%	79.3%
Use of goods and services [GFS]	8.2	8.2	4.2	3.3	39.8%	76.7%
GoPNG PIP	5.0	5.0	0.5	0.5	10.0%	100.0%
Use of goods and services [GFS]	5.0	5.0	0.5	0.5	10.0%	100.0%
609 MOROBE PROVINCIAL HEALTH AUTHORITY	63.3	63.3	24.7	40.7	64.2%	164.4%
Operational	63.3	63.3	24.7	40.7	64.2%	164.4%
Compensation Of Employees[GFS]	44.6	44.6	16.6	34.3	77.1%	206.8%
Grants	3.8	3.8	2.2	1.5	39.0%	66.8%
Non financial assets	0.3	0.3	0.1	0.1	31.8%	79.7%
Use of goods and services [GFS]	14.6	14.6	5.8	4.7	32.5%	82.0%
610 EASTERN HIGHLANDS PROVINCIAL HEALTH AUHTORITY	62.3	62.3	23.7	28.3	45.4%	119.3%
Operational	62.3	62.3	23.7	28.3	45.4%	119.3%
Compensation Of Employees[GFS]	48.0	48.0	17.6	23.5	48.9%	133.4%
Grants	7.3	7.3	3.0	2.4	32.9%	80.8%
Use of goods and services [GFS]	7.0	7.0	3.2	2.4	34.9%	77.0%
611 JIWAKA PROVINCIAL HEALTH AUTHORITY	45.3	45.3	20.0	24.1	53.1%	120.3%
Operational	40.3	40.3	17.5	21.6	53.5%	123.2%
Compensation Of Employees[GFS]	24.5	24.5	10.3	15.9	65.0%	154.0%
Grants	7.8	7.8	3.8	3.0	38.3%	77.6%
Use of goods and services [GFS]	8.0	8.0	3.3	2.7	33.3%	80.6%
GoPNG PIP	5.0	5.0	2.5	2.5	50.0%	100.0%
Non financial assets	4.5	4.5	2.0	2.0	44.4%	100.0%
Use of goods and services [GFS]	0.5	0.5	0.5	0.5	100.0%	100.0%
612 WESTERN HIGHLANDS PROVINCIAL HEALTH AUTHORITY	50.6	50.6	19.4	27.1	53.5%	139.8%
Operational	50.6	50.6	19.4	27.1	53.5%	139.8%
Compensation Of Employees[GFS]	39.7	39.7	14.6	23.3	58.7%	159.5%
Grants	3.6	3.6	1.7	1.3	36.5%	77.2%
Non financial assets	0.3	0.3	0.1	0.1	32.9%	79.6%
Use of goods and services [GFS]	7.0	7.0	2.9	2.3	33.1%	79.8%
613 ENGA PROVINCIAL HEALTH AUTHORITY	82.2	92.2	52.8	36.5	39.6%	69.2%
Operational	62.2	72.2	32.8	29.5	40.9%	90.0%

Expenditure by Agency	2024 Budget	2024 Revised Budget	Warrant Authorized	June Outcome	Exp/RB [%]	Exp/Wa [%]
Compensation Of Employees[GFS]	50.0	60.0	27.8	25.7	42.8%	92.6%
Grants	5.4	5.4	2.1	1.5	28.6%	73.3%
Non financial assets	1.4	1.4	0.5	0.4	29.7%	78.0%
Use of goods and services [GFS]	5.3	5.3	2.4	1.8	34.4%	78.0%
GoPNG PIP	20.0	20.0	20.0	7.0	35.0%	35.0%
Non financial assets	20.0	20.0	20.0	7.0	35.0%	35.0%
614 SOUTHERN HIGHLANDS PROVINCIAL HEALTH AUTHORITY	64.0	65.5	24.4	31.5	48.1%	129.3%
Operational	64.0	65.5	24.4	31.5	48.1%	129.3%
Compensation Of Employees[GFS]	52.4	53.8	19.3	27.5	51.1%	142.6%
Grants	6.3	6.3	2.8	2.2	35.1%	80.1%
Non financial assets	0.2	0.2	0.1	0.1	34.1%	80.0%
Use of goods and services [GFS]	5.1	5.1	2.2	1.7	32.8%	75.9%
615 HELA PROVINCIAL HEALTH AUTHORITY	40.6	40.6	15.7	4.9	12.0%	31.1%
Operational	40.6	40.6	15.7	4.9	12.0%	31.1%
Compensation Of Employees[GFS]	29.0	29.0	10.7	1.0	3.5%	9.5%
Grants	7.2	7.2	2.9	2.3	32.7%	79.5%
Non financial assets	0.0	0.0	0.0	0.0	39.6%	82.4%
Use of goods and services [GFS]	4.3	4.3	2.0	1.5	34.7%	75.3%
616 GULF PROVINCIAL HEALTH AUTHORITY	37.7	37.7	13.2	14.4	38.2%	109.3%
Operational	32.7	32.7	13.2	14.4	44.1%	109.3%
Compensation Of Employees[GFS]	20.4	20.4	7.9	10.3	50.6%	130.9%
Grants	5.4	5.4	2.3	1.7	31.9%	76.1%
Use of goods and services [GFS]	6.9	6.9	3.0	2.4	34.4%	77.9%
GoPNG PIP	5.0	5.0	0.0	0.0	0.0%	0.0%
Non financial assets	5.0	5.0	0.0	0.0	0.0%	0.0%
617 CENTRAL PROVINCIAL HEALTH AUTHORITY	27.9	27.9	11.1	10.3	37.0%	92.9%
Operational	27.9	27.9	11.1	10.3	37.0%	92.9%
Compensation Of Employees[GFS]	17.8	17.9	6.7	6.8	38.3%	101.7%
Grants	7.6	7.6	3.3	2.6	35.0%	79.2%
Use of goods and services [GFS]	2.5	2.5	1.0	0.8	33.6%	80.1%
618 MILINE BAY PROVINCIAL HEALTH AUTHORITY	51.8	51.8	20.0	25.2	48.6%	126.3%
Operational	46.8	46.8	18.5	23.7	50.6%	128.4%
Compensation Of Employees[GFS]	31.6	31.6	11.9	18.7	59.1%	156.5%
Grants	7.6	7.6	2.8	2.2	29.0%	77.7%
Non financial assets	0.1	0.1	0.0	0.0	34.2%	80.0%
Use of goods and services [GFS]	7.5	7.5	3.7	2.8	37.0%	76.4%
GoPNG PIP	5.0	5.0	1.5	1.5	30.0%	100.0%
Non financial assets	4.5	4.5	1.0	1.0	22.2%	100.0%
Use of goods and services [GFS]	0.5	0.5	0.5	0.5	100.0%	100.0%
619 ORO PROVINCIAL HEALTH AUTHORITY	36.3	36.3	12.7	14.6	40.3%	114.9%
Operational	31.3	31.3	12.2	14.1	45.2%	115.5%
Compensation Of Employees[GFS]	19.4	19.4	7.1	10.1	52.2%	142.2%
Grants	5.0	5.0	2.2	1.6	32.2%	72.1%

Expenditure by Agency	2024 Budget	2024 Revised Budget	Warrant Authorized	June Outcome	Exp/RB [%]	Exp/Wa [%]
Non financial assets	0.2	0.2	0.1	0.1	33.6%	79.9%
Use of goods and services [GFS]	6.7	6.7	2.8	2.4	34.9%	83.5%
GoPNG PIP	5.0	5.0	0.5	0.5	10.0%	100.0%
Non financial assets	4.8	4.8	0.3	0.3	5.3%	100.0%
Use of goods and services [GFS]	0.3	0.3	0.3	0.3	100.0%	100.0%
620 PORT MORESBY GENERAL HOSPITAL	161.5	161.5	54.9	66.9	41.5%	121.9%
Operational	161.5	161.5	54.9	66.9	41.5%	121.9%
Compensation Of Employees[GFS]	89.0	89.0	27.3	46.8	52.6%	171.6%
Non financial assets	2.0	2.0	0.7	0.5	25.1%	75.0%
Use of goods and services [GFS]	70.5	70.5	27.0	19.6	27.8%	72.8%
621 SIMBU PROVINCIAL HEALTH AUTHORITY	51.5	51.6	19.9	29.8	57.9%	150.1%
Operational	46.5	46.6	18.4	28.3	60.9%	154.2%
Compensation Of Employees[GFS]	28.8	28.9	10.6	22.3	77.2%	209.6%
Grants	6.1	6.1	2.7	2.1	34.7%	79.0%
Non financial assets	0.5	0.5	0.2	0.2	33.3%	80.0%
Subsidies	0.2	0.2	0.1	0.1	33.5%	79.9%
Use of goods and services [GFS]	10.8	10.8	4.7	3.7	33.9%	77.4%
GoPNG PIP	5.0	5.0	1.5	1.5	30.0%	100.0%
Non financial assets	4.7	4.7	1.2	1.2	25.5%	100.0%
Use of goods and services [GFS]	0.3	0.3	0.3	0.3	100.0%	100.0%
622 NCD PROVINCIAL HEALTH AUTHORITY	45.5	45.6	17.5	23.9	52.3%	136.6%
Operational	45.5	45.6	17.5	23.9	52.3%	136.6%
Compensation Of Employees[GFS]	35.2	35.3	13.0	20.4	57.7%	157.1%
Non financial assets	0.0	0.0	0.0	0.0	33.9%	79.7%
Use of goods and services [GFS]	10.3	10.3	4.5	3.5	34.2%	77.9%
623 DIRECTORATE FOR SOCIAL CHANGE & MENTAL HEALTH	17.8	17.8	6.5	5.6	31.4%	86.3%
Operational	17.8	17.8	6.5	5.6	31.4%	86.3%
Compensation Of Employees[GFS]	15.8	15.8	5.7	5.2	33.1%	91.4%
Use of goods and services [GFS]	2.0	2.0	0.8	0.4	18.4%	47.6%
299 TREASURY AND FINANCE - PUBLIC DEBT CHARGES	3,050.8	3,050.8	1,512.0	1,405.9	46.1%	93.0%
Operational	3,050.8	3,050.8	1,512.0	1,405.9	46.1%	93.0%
Sub-Total	23,061.1	23,061.1	10,946.7	9,841.1	42.7%	89.9%
GST & BTT	897.6	897.6	0.0	81.6	9.1%	0.0%
Concessional Loans	1,213.8	1,213.8	0.0	403.2	33.2%	0.0%
Donor Grants	2,205.0	2,205.0	0.0	578.2	26.2%	0.0%
Grand Total	27,377.5	27,377.5	10,946.7	10,904.1	39.8%	98.4%

Source: Department of Treasury