



Independent State Of Papua New Guinea

2026 National Budget

# 2026 APPROPRIATION BILLS AND TAXATION AMENDMENT BILLS

“Security with Growth”

For the Year ending 2026



**CELEBRATE OUR HISTORY  
INSPIRE OUR FUTURE**

On the occasion of the Presentation of the 2026 National Budget





2026 National Budget

## 2026 APPROPRIATION BILL

# (GENERAL PUBLIC SERVICES EXPENDITURE 2026), BILL 2025

*On the Occasion of the Presentation of the 2026 National Budget*

# EXPLANATORY NOTES FOR MEMBERS OF THE NATIONAL PARLIAMENT

## APPROPRIATION (GENERAL PUBLIC SERVICE EXPENDITURE 2026) BILL 2025

### FOR THE YEAR ENDING 31 DECEMBER 2026

The purpose of the *Appropriation (General Public Services 2026) Bill 2025* is to appropriate a sum of K29,385,193,892.00 for expenditure for the year ending 31 December 2026 as required under Section 209(2)(c) of the Constitution as amended.

This Bill will establish total appropriations in 2026 of K29,385,193,892.00 of which Operational expenditure is K18,539,193,892.00 consisting of –

<b>Operational Expenditure</b>	<b>K18,539,193,892.00</b>
Personnel Emoluments	K7,716,079,959.00
Goods and Services	K5,055,653,411.00
Functional Grants	K769,961,560.00
Debt Interest	K3,723,000,004.00
GST and BMT transfers	1,274,498,958.00

This Bill will also establish total appropriations in 2026 of **K10,846,000,000.00** in Capital expenditure for Capital Investment projects consisting of –

<b>Capital Expenditure</b>	<b>K10,846,000,000.00</b>
Direct Government Funding	K7,677,000,000.00
Concessional Loans	K1,226,000,000.00
Donor Grants	K1,943,000,000.00

The total amount of Debt Amortization required to meet the State's debt repayment obligations is deemed to be appropriated, and the Minister may issue out of the Consolidated Revenue Fund and apply for the activity of debt amortization for the financial year ending 31 December 2026 this amount.

This is a financing item and so is not available for expenditure in sectors. As a result, this amount is not included in the discussion of budget expenditure contained in Volume 1. Under the Constitution, these loan repayments must be agreed to by the Parliament.

The *Appropriation (General Public Services 2026) Bill 2025* has One Part covering sixteen sections.

**Section One** - Allows the Minister responsible for treasury matters to issue out of the Consolidated Revenue Fund and apply for the activities of the General Public Service for the financial year ending 31 December 2026, the debt amortisation as deemed appropriated under Section 4 and the sum of **K29,385,193,892.00**, that shall be made up of the cumulative total of Sections 2 and 3.

**Section Two** – Allows the Minister responsible for treasury matters to issue out of the Consolidated Revenue Fund and apply for the activity of operational expenditure for the financial year ending 31 December 2026, the sum of **K18,539,193,892.00** .

**Section Three** – Allows The Minister responsible for treasury matters may issue out of the Consolidated Revenue Fund and apply for the activity of capital expenditure for the year ending 31 December 2026, the sum of **K10,846,000,000.00**.

**Section Four** – Provides for the total amount of Debt Amortization required to meet the State's debt repayment obligations as deemed appropriations, and the Minister may issue out of the Consolidated Revenue Fund and apply for the activity of debt amortization for the financial year ending 31 December 2026 this amount.

**Section Five** – Provides for sums granted by this Act out of the Consolidated Revenue Fund for the financial year ending 31 December 2026 to be appropriated for the activities of the agencies referred to in Volume 2A, 2B, 2C and 2D of the Budget Publications.

For the purpose of identifying the activities of agencies (both operational and directly financed capital expenditure) referred to in this Act, Volume 2A, 2B, 2C and 2D of the 2026 Budget publication shall be considered relevant documents.

Where additional donor grants are received in the financial year ending 31 December 2026, the additional donor grants may be issued out of the Consolidated Revenue Fund and appropriated to capital expenditures with the approval of the Treasurer.

When amounts appropriated for either donor grants or concessional loans are not received from the respective donors in the year ending 31 December 2026, these appropriations may not be issued from the Consolidated Revenue Fund and shall lapse.

All appropriations made under this Act lapse at the end of the 2026 fiscal year and where an amount is warranted but not spent against in the 2026 fiscal year, appropriations may not be issued from the Consolidated Revenue Fund and will lapse.

**Section Six** - Identifies the circumstances under which the Minister may direct the reallocation of any unexpended appropriation for an activity under this Act to appropriations for other activities under this Act.

Reallocation of appropriations under this section may only occur where the following conditions are met:

- (a) there is insufficient appropriation to meet expenditure for an activity; and
- (b) the reallocation of appropriation will not cause an overspend; and
- (c) the reallocation of appropriation was unforeseen at the time of making this

Act;

Reallocation of appropriations may also occur where the Minister responsible for treasury matters reasonably believes the reallocation of the appropriation is necessary for the delivery of essential services to the people of Papua New Guinea.

Reallocations authorised under other provisions of this Act do not count towards the limit prescribed in Section Six, Subsection (3) of the *Appropriation (General Public Services 2026) Bill 2025*; and the Minister for treasury shall not, under this section, transfer from operational expenditure to capital expenditure.

**Section Seven** – Identifies the circumstances under which the Minister responsible for treasury matters may direct the reallocation of the following funding:

- (a) Transfers out of Division 207 – Crosscutting Activities; and
- (b) Government Tuition Fee Subsidy (GTFS) to Division 207 for the purpose of execution of the Government Tuition Fee Subsidy.

The Minister responsible for treasury matters may direct the reallocation of the appropriation entitled “Contingency Fund” in Volume 2A which is appropriated -

- (a) to Division 207 - Crosscutting Activities, for any activity under operational and capital expenditure; and
- (b) to new activities and to activities of the National Parliament or the Judiciary.

Reallocation of the appropriation under Section seven, Subsection (2) may only occur where the total appropriation reallocated does not exceed the aggregate of the net appropriation for the Contingency Fund.

The appropriation for “Contingency Fund” may only be increased by Parliament, and reallocations made under this Act may not be made into the “Contingency Fund”.

The Minister responsible for treasury matters may direct the reallocation of the appropriation entitled “State Share Contribution to Nambawan Supa - Automation” to new activities under relevant government agencies for the same purpose as the original appropriation.

Further to this, where in the reasonable opinion of the Minister an agency will spend or has spent more than has been appropriated for personal emoluments, the Minister may direct the reallocation of that agency’s unexpended appropriations to cover that agency’s personal emoluments and where in the reasonable opinion of the Minister an agency will spend or has spent more than has been appropriated, the Minister may direct the reallocation of that agency’s unexpended appropriations to ensure that the agency does not spend more money than has been appropriated to that agency.

**Section Eight** – Identifies the circumstances under which the Minister responsible for treasury matters may direct the reallocation of any unexpended appropriation for a capital expenditure activity funded from a concessional loan where -

(a) there is insufficient appropriation to meet expenditure for that other capital expenditure activity; and

(b) the transfer is requested to by the organisation providing the concessional loan;

and

(c) the Minister responsible for treasury matters reasonably believes the reallocation of the appropriation is necessary for the delivery of essential services to the people of Papua New Guinea, to another capital expenditure included in Volume 2A, 2B, 2C and 2D of the 2026 Budget publication and funded by a concessional loan.

*Section Nine* - Identifies the circumstances under which the Minister responsible for treasury matters may direct the reallocation of any unexpended appropriation for a capital expenditure activity funded by Grants identified in Volume 2A, 2B, 2C and 2D of the 2026 Budget publications where -

(a) there is insufficient appropriation to meet expenditure for a capital expenditure

activity; and

(b) the transfer is requested by the donor providing the grant; and

(c) the Minister responsible for treasury matters believes the need for reallocation of appropriation is necessary for the delivery of essential services to the people of Papua New Guinea, to other capital expenditure activities identified in that volume of the Budget publications.

*Section Ten* – identifies the circumstances under which the Minister responsible for treasury matters may authorise the reallocation of any unexpended appropriation for interest, fees or charges held under Division 299, and this reallocation may only be for activities identified in Division 207 or within Division 299.

Reallocation of appropriation shall only occur after the following conditions have been met:

(a) to an extent, projections of interest, fees or charges for the 2026 year, are published in a notification on the Department of Treasury website, issued by the Departmental Head responsible for treasury matters, asserting that they are lower than the projections of interest, fees or charges for the 2026 year published in Volume 1 of the Budget publication; and

(b) the Departmental Head responsible for treasury matters publishes a notice on the Department of Treasury website identifying the amount reallocated from Division 299, the circumstances justifying the reallocation and the remaining balance of the Division; and

(c) the total amount of reallocation of appropriation for interest, fees or charges shall not exceed the sum of **K558,450,000.00**; and

(d) the Minister responsible for treasury matters shall not delegate the authority to reallocate unexpended appropriations held under Division 299.

**Section Eleven** – Provides for where an activity is transferred from one agency to another, the authority conferred under this Act extends to the reallocation or transfer of the remaining appropriation for that activity to the agency now responsible for the activity.

**Section Twelve** – Requires the publication of a quarterly report on the Department's website of all adjustments and reallocations of appropriations made under this Act.

The report shall identify -

- (a) the division number and name; and
- (b) the initial appropriation for the division;
- (c) details of program and economic item transferred; and
- (d) the current appropriation for the division.

**Section Thirteen** - Requires that a copy of each direction under this Act shall be made available to the Auditor-General within one month of a request by the Auditor-General.

**Section Fourteen** – Provides the schedule for project loans listed and approved to be negotiated and entered into by the State and that only loans listed in Schedule 1 shall only be drawn down against, and to the extent authorised under, the relevant appropriations for the projects listed in Volumes 2 and 3. The loans listed in the Schedule 1 lapse at the end of the 2026 fiscal year.

**Section Fifteen** – The State is authorized to consider and negotiate the budget loans listed in Schedule 2. This authorization expires at the end of the 2026 fiscal year. Any loans entered into under this section may be used to fund the State's budget. Listing a loan in Schedule 2 does not obligate the State to enter into these loans; as other legal compliance is still required.

**Section Sixteen** – The State is permitted to make payments on guarantees listed in Schedule 3 of this Act, provided they have been called upon by the Bank of South Pacific during the 2026 fiscal year.

However, inclusion in Schedule 2 does not create an automatic obligation for the State to fulfill these payments. The decision to proceed with any payment depends on meeting the conditions set out in other applicable laws and agreements. This ensures that the payments are only made in circumstances where all relevant legal and contractual requirements are satisfied.

The provision balances the State's commitment to honouring guarantees with the need for fiscal prudence and legal compliance. Ultimately, the inclusion in Schedule 2 serves as an

acknowledgment of potential obligations rather than an absolute mandate. The State's ability to fulfill these guarantees is therefore subject to oversight and adherence to existing fiscal frameworks.

***Section Seventeen*** – Requires Government Agencies to receive clearance from the Department responsible for treasury matters before any proposal that requires government funding is submitted to National Executive Council.

No. of 2025.

***Appropriation (General Public Services Expenditure 2026) Bill 2025***



## CERTIFICATE.

I, certify that I have drafted the *Appropriation (General Public Services Expenditure 2026) Bill 2025* (Draft of 24/11/2025) in accordance with the National Executive Council Decision No: 291/2025 dated 16<sup>th</sup> November, 2025, and the Drafting Instructions.

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

MARLEEN TOLIMAN AKOP  
FIRST LEGISLATIVE COUNSEL.

24<sup>th</sup> November, 2025.



No. of 2025.

*Appropriation (General Public Services Expenditure 2026) Bill 2025.*

**ARRANGEMENT OF CLAUSES.**

1. Grant for General Public Service Expenditure.
2. Grant for Operational Expenditure.
3. Grant for Capital Expenditure.
4. Debt amortization deemed appropriation.
5. Appropriation.
6. Adjustment of appropriations between activities.
7. Adjustment of appropriations for identified matters.
8. Adjustment of appropriations for Capital Expenditure Funded from Concessional Loans.
9. Adjustment of appropriations for Capital Expenditure Funded by grants.
10. Reallocation of amounts from Division 299 - Debt Services.
11. Transfer of activities between agencies.
12. Directions to be published.
13. Direction to reallocate appropriations to be available to Auditor-General.
14. Project loans approved to be considered, negotiated and entered into by the State.
15. Budget support loans approved to be considered, negotiated and entered into by the State.
16. Guarantees approved to be paid by the State.
17. Budgetary fiscal clearance.

**SCHEDULE 1.**

**SCHEDULE 2.**

**SCHEDULE 3.**



A BILL

For

AN ACT

entitled

***Appropriation (General Public Services Expenditure 2026) Bill 2025,***

Being an Act to appropriate out of the Consolidated Revenue Fund a sum for the General Public Service for Operational and Capital investment expenditure and Debt Amortization for the year ending 31 December 2026,

MADE by the National Parliament.

**1. GRANT FOR GENERAL PUBLIC SERVICE EXPENDITURE.**

The Minister responsible for treasury matters may issue out of the Consolidated Revenue Fund and apply for the activities of the General Public Service for the year ending 31 December 2026, the debt amortisation as deemed appropriated under Section 4 and the sum of K29,385,193,892.00, that shall be made up of the cumulative total of Sections 2 and 3.

**2. GRANT FOR OPERATIONAL EXPENDITURE.**

The Minister responsible for treasury matters may issue out of the Consolidated Revenue Fund and apply for the activity of operational expenditure for the year ending 31 December 2026, the sum of K18,539,193,892.00, consisting of -

<b>Operational Expenditure.</b>	<b>K18,539,193,892.00</b>
Personnel Emoluments	K7,716,079,959.00
Goods and Services	K5,055,653,411.00
Functional Grants	K769,961,560.00
Debt Interest	K3,723,000,004.00
GST and BMT transfers	1,274,498,958.00

**3. GRANT FOR CAPITAL EXPENDITURE.**

The Minister responsible for treasury matters may issue out of the Consolidated Revenue Fund and apply for the activity of capital expenditure for the year ending 31 December 2026, the sum of K10,846,000,000.00, consisting of -

*Appropriation (General Public Services Expenditure 2026)*

<b>Capital Expenditure.</b>	<b>K10,846,000,000.00</b>
Direct Government Funding	K7,677,000,000.00
Concessional Loans	K1,226,000,000.00
Donor Grants	K1,943,000,000.00

**4. DEBT AMORTIZATION DEEMED APPROPRIATION.**

The total amount of debt amortization required to meet the State's debt repayment obligations is deemed to be appropriated, and the Treasurer may issue, out of the Consolidated Revenue Fund, and apply for the activity of debt amortization for the year ending 31 December 2026, this amount.

**5. APPROPRIATION.**

(1) Sums granted by this Act out of the Consolidated Revenue Fund for the year ending 31 December 2026 are appropriated for the activities of the agencies referred to in Volume 2A, 2B, 2C and 2D of the Budget Publications.

(2) For the purpose of identifying the activities of agencies (both operational and directly financed capital expenditure) referred to in this Act, Volume 2A, 2B, 2C and 2D of the 2026 Budget publication are considered relevant documents.

(3) Where additional donor grants are received in the year ending 31 December 2026, they may be issued out of the Consolidated Revenue Fund, and appropriated to capital expenditures with the approval of the Treasurer.

(4) When amounts appropriated for either donor grants or concessional loans are not received from the respective donors in the year ending 31 December 2026, these appropriations may not be issued from the Consolidated Revenue Fund, and shall lapse.

(5) All appropriations made under this Act lapse at the end of the 2026 fiscal year.

(6) Where an amount is warranted but not spent against the 2026 fiscal year, appropriations shall not be issued from the Consolidated Revenue Fund and shall lapse.

**6. ADJUSTMENT OF APPROPRIATIONS BETWEEN ACTIVITIES.**

(1) Subject to Subsections (2), (3), (4) and (5), the Treasurer may direct the reallocation of any unexpended appropriation for an activity under this Act to appropriations for other activities under this Act.

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

- (a) there is insufficient appropriation to meet expenditure for an activity; and
- (b) the reallocation of appropriation will not cause an overspend; and
- (c) the reallocation of appropriation was unforeseen at the time of making this Act; and
- (d) the Treasurer reasonably believes the reallocation of the appropriation is necessary for the delivery of essential services to the people of Papua New Guinea.

*Appropriation (General Public Services Expenditure 2026)*

(3) The total amount of reallocated appropriation authorised under this section shall not exceed K2,831,363,160.00.

(4) Reallocations authorised under other provisions of this Act do not count towards the limit prescribed in Subsection (3).

(5) The Treasurer shall not, under this section, transfer funds from operational expenditure to capital expenditure.

**7. ADJUSTMENT OF APPROPRIATIONS FOR IDENTIFIED MATTERS**

(1) The Treasurer may direct the reallocation of the following funding:

(a) subject to Subsections (2), (3), (4) and (6), transfers from Division 207 - Crosscutting Activities to other activities; and

(b) Government Tuition Fee Subsidy (GTFS) to Division 207 for the purpose of execution of the Government Tuition Fee Subsidy.

(2) The Treasurer may direct the reallocation of the appropriation entitled "Contingency Fund" in Volume 2A which is appropriated to Division 207 - Crosscutting Activities:

(a) for any activity under operational and capital expenditure; and

(b) including to new activities and to activities of the National Parliament or the Judiciary.

(3) Reallocation of the appropriation under Subsection (2) may only occur where the total appropriation reallocated does not exceed the aggregate of the net appropriation for the Contingency Fund.

(4) The appropriation for "Contingency Fund" may only be increased by Parliament, and reallocations made under this Act may not be made into the "Contingency Fund".

(5) New activities created by reallocations from "Contingency Fund" under Subsection (2)(b) shall only receive further reallocations from "Contingency Fund".

(6) The Treasurer may direct the reallocation of the appropriation entitled "State Share Contribution to Nambawan Supa - Automation" in Volume 2A which is appropriated to Division 207 - Crosscutting Activities to new activities under relevant government agencies for the same purpose as the original appropriation.

(7) Where in the reasonable opinion of the Treasurer, an agency is to spend or has spent more than has been appropriated for personal emoluments, the Minister responsible for treasury matters may direct the reallocation of that agency's unexpended appropriations to cover that agency's incurred personal emolument expenditure.

(8) Where, in the reasonable opinion of the Treasurer an agency is to spend or has spent more than has been appropriated, the Minister responsible for treasury matters may direct the reallocation of that agency's underspent activities to the overspending activities to ensure that the agency does not spend more money than has been appropriated to that agency.

*Appropriation (General Public Services Expenditure 2026)*

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

The Minister responsible for treasury matters may direct the reallocation of any unexpended appropriation for a capital expenditure activity funded from a concessional loan to another capital expenditure included in Volume 2A, 2B, 2C or 2D of the 2026 Budget publication and funded by a concessional loan where -

- (a) there is insufficient appropriation to meet expenditure for that other capital expenditure activity; and
- (b) the transfer is requested by the organisation providing the concessional loan; and
- (c) the Minister responsible for treasury matters reasonably believes the reallocation of the appropriation is necessary for the delivery of essential services to the people of Papua New Guinea.

**9. ADJUSTMENT OF APPROPRIATIONS FOR CAPITAL EXPENDITURE FUNDED BY GRANTS.**

The Minister responsible for treasury matters may direct the reallocation of any unexpended appropriation for a capital expenditure activity funded by Grants to another capital expenditure included in Volume 2A, 2B, 2C or 2D of the 2026 Budget publications where:

- (a) there is insufficient appropriation to meet expenditure for a capital expenditure activity; and
- (b) the transfer is requested by the donor providing the grant; and
- (c) the Minister responsible for treasury matters believes the need for reallocation of appropriation is necessary for the delivery of essential services to the people of Papua New Guinea.

**10. REALLOCATION OF AMOUNTS FROM DIVISION 299 - DEBT SERVICES.**

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

(2) Reallocation of appropriation is permitted to only occur after the following conditions have been met:

- (a) to the extent that projections of interest, fees or charges for the 2026 year, are published in a notification on the Department of Treasury website, issued by the Departmental Head responsible for treasury matters, asserting that they are lower than the projections of interest, fees or charges for the 2026 year published in Volume 1 of the Budget publication; and
- (b) the Departmental Head responsible for treasury matters publishes a notice on the Department of Treasury website identifying the amount reallocated from Division 299, the circumstances justifying the reallocation and the remaining balance of the Division; and
- (c) the total amount of reallocation of appropriation for interest, fees or charges shall not exceed the sum of K558,450,000.00; and
- (d) the Minister responsible for treasury matters may not delegate the authority to reallocate unexpended appropriations held under Division 299.

*Appropriation (General Public Services Expenditure 2026)*

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

Where an activity is transferred from one agency to another, the authority conferred under this Act extends to the reallocation or transfer of the remaining appropriation for that activity to the agency now responsible for the activity.

**12. DIRECTIONS TO BE PUBLISHED.**

(1) The Departmental Head responsible for treasury matters shall publish a quarterly report on the Department's website of all adjustments and reallocations of appropriations made under this Act.

(2) The report shall identify -

- (a) the division number and name; and
- (b) the initial appropriation for the division; and
- (d) details of program and economic item transferred; and
- (c) the current appropriation for the division.

(3) The Minister responsible for treasury matters shall notify an agency affected by a transfer within one month of the transfer being made.

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

A copy of each direction under this Act shall be made available to the Auditor-General within 1 month of a request by the Auditor-General.

**14. PROJECT LOANS APPROVED TO BE CONSIDERED, NEGOTIATED AND ENTERED INTO BY THE STATE.**

(1) The project loans listed in Schedule 1 are hereby approved to be considered, negotiated and entered into by the State.

(2) The approval provided for under Subsection (1) and for the loans listed in Schedule 1 lapse at the end of the 2026 fiscal year.

(3) Loans entered into by the State under this section may only be drawn down against to the extent authorised under the relevant appropriations for the projects listed in Volume 2 and 3.

(4) Inclusion on the list in Schedule 1 does not bind the State to enter into these loans and completion of these loans is contingent on compliance with other relevant legislation.

**15. BUDGET SUPPORT LOANS APPROVED TO BE CONSIDERED, NEGOTIATED AND ENTERED INTO BY THE STATE.**

(1) The budget support loans listed in Schedule 2 are approved to be considered, negotiated and entered into by the State.

(2) The approval granted for the loans listed in Schedule 2 lapse at the end of the 2026 fiscal year.

(3) Loans entered into by the State under this section may be utilised to fund the budget.

*Appropriation (General Public Services Expenditure 2026)*

(4) The list in Schedule 2 does not bind the State to enter into these loans, and completion of these loans is contingent on compliance with other relevant legislation.

**16. GUARANTEES APPROVED TO BE PAID BY THE STATE.**

(1) The State is authorised to make payments on the guarantees listed in Schedule 3 which have been called by Bank of South Pacific in the 2026 fiscal year.

(2) Inclusion on the list in Schedule 3 does not bind the State to make these payments and completion of these payments is contingent on compliance with other relevant legislation and agreements.

**17. BUDGETARY FISCAL CLEARANCE.**

All proposals that require Government funding in the 2026 financial year or following financial years shall be submitted to the Department responsible for treasury matters for budgetary fiscal clearance and must receive this clearance before submission to the National Executive Council.

*Appropriation (General Public Services Expenditure 2026)*

**SCHEDULE 1.**

Sec. 14.

**PROJECT LOANS APPROVED TO BE CONSIDERED, NEGOTIATED AND ENTERED INTO BY THE STATE.**

<b>No.</b>	<b>Project</b>	<b>Implementing Agency</b>
1	Trans-Island Highway (Lae Bulolo) including Kumalu Bridge.	Department of Works and Highways
2	Upgrading of Rabaul Port to Green Port.	Department of Works and Highways
3	Civil Aviation Development Investment Project III (CADIP III).	Department of Works and Highways
4	Mountainous Road Improvement and Resilience Project.	Department of Works and Highways
5	Sustainable Healthcare for Accessible Rural Engagement (SHARE).	National Department of Health
6	New Level 5 Gerehu Provincial General Hospital.	National Department of Health
7	New Level 5 Kimbe Hospital .	National Department of Health
8	New Level 5 Hela Provincial General Hospital.	National Department of Health
9	Urban Water Supply and Sanitation Security and Resilience Improvement Program (T1).	Water PNG
10	Waterwise Communities	Water PNG
11	Project Readiness Facility for Sustainable Energy Sector Development.	PNG Power Limited
12	PNG Electrification Projects.	PNG Power Limited
13	Analog to Digital Television Phase 2.	National Broadcasting Corporation of Papua New Guinea
14	Telikom Masterplan Phase 1.	Telikom
15	Improving Financial Access.	Central Bank
16	PNG Agriculture Commercialization and Diversification Project Phase 2.	Department of Agriculture
17	PNG Fresh Food Marketing Systems Project.	Department of Agriculture
18	Learning Enhancement Access Project.	Department of Education
19	Rural Service Delivery II.	Department of Provincial and Local-level Government Affairs

*Appropriation (General Public Services Expenditure 2026)*

**SCHEDULE 2.**

Sec. 15.

**BUDGET LOANS APPROVED TO BE CONSIDERED, NEGOTIATED AND ENTERED INTO BY THE STATE.**

<b>BUDGET LOAN.</b>	<b>IMPLEMENTING AGENCY.</b>
Bilateral budget support loans.	Department of Treasury.
Multi-lateral budget support loans.	Department of Treasury.

**SCHEDULE 3.**

Sec. 16.

**GUARANTEES CALLED APPROVED FOR PAYMENT BY THE STATE.**

<b>Guarantee Called.</b>
Central Dairies .



INDEPENDENT STATE OF PAPUA NEW GUINEA

OFFICE OF THE STATE SOLICITOR

## CERTIFICATE OF NECESSITY

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

having considered the proposed **Appropriation (General Public Services Expenditure 2026) Bill 2025** and having formed the opinion that the Bill is necessary for the intended purposes;

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

Dated this 18 day of November 2025.

A handwritten signature in black ink, consisting of several overlapping loops and a long vertical stroke extending downwards.

**DANIEL ROLPAGAREA**  
State Solicitor



2026 National Budget

## 2026 APPROPRIATION BILL

(NATIONAL PARLIAMENT 2026), BILL 2025

*On the Occasion of the Presentation of the 2026 National Budget*

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

## ***APPROPRIATION (NATIONAL PARLIAMENT 2026) BILL 2025***

### **FOR THE YEAR ENDING 31 DECEMBER 2026**

The purpose of the *Appropriation (National Parliament 2026) Bill 2025* is to:

- (a) Provide the sum of **K435,100,000.00** for the activities of the National Parliament for the year ending 31 December 2026, as required under Section 209 (2)(b)(i) of the Constitution as amended.



## CERTIFICATE.

I, certify that I have drafted the *Appropriation (National Parliament 2026) Bill 2025* (Draft of 24/11/2025) in accordance with the National Executive Council Decision No: 291/2025 dated 16<sup>th</sup> November, 2025, and the Drafting Instructions.

A handwritten signature in blue ink, reading "M Toliman", is positioned above the printed name.

MARLEEN TOLIMAN AKOP  
FIRST LEGISLATIVE COUNSEL.

24<sup>th</sup> November, 2025.

Draft of 24/11/2025



No.            of 2025.

*Appropriation (National Parliament 2026) Bill 2025.*

**ARRANGEMENT OF CLAUSES.**

1.     Grant of K435,100,000.00.
2.     Appropriation.
3.     Adjustment of appropriations for identified matters.

24/11/2025



A BILL

For

AN ACT

entitled

*Appropriation (National Parliament 2026) Bill 2025,*

Being an Act to appropriate out of the Consolidated Revenue Fund a sum for the National Parliament for Operational and Capital Expenditure for the year ending 31 December 2026,

MADE by the National Parliament.

**1. GRANT OF K435,100,000.00.**

Subject to authorisation from the Treasurer, the Departmental Head responsible for treasury matters may issue out of the Consolidated Revenue Fund and apply for the operational and capital expenditure of the National Parliament for the year ending 31 December 2026 the sum of K435,100,000.00

**2. APPROPRIATION.**

Sums granted by this Act out of the Consolidated Revenue Fund for the year ending 31 December 2026 are appropriated for the operational and capital expenditure of the National Parliament listed in the Schedule.

**3. ADJUSTMENT OF APPROPRIATIONS FOR IDENTIFIED MATTERS**

(1) Appropriations for the National Parliament may only be increased by reallocations from "Contingency Fund" in Volume 2A which is appropriated to Division 207 - Crosscutting Activities.

(2) Appropriations for the National Parliament may only be reallocated or decreased by an Act of Parliament.

*Appropriation (National Parliament 2026) Bill 2025*

**SCHEDULE.**

Sec. 2.

**ESTIMATES OF EXPENDITURE FOR THE YEAR ENDING 31 DECEMBER 2026.**

<b>BUDGET AGENCY.</b>	<b>2026 BUDGET (PGK)</b>
<b>201 National Parliament</b>	<b>K435,100,000.00</b>
Personnel Emoluments	K268,080,000.00
Goods and Services	K152,020,000.00
Capital Investment	K15,000,000.00
<b>Grand Total</b>	<b>K435,100,000.00</b>



INDEPENDENT STATE OF PAPUA NEW GUINEA

OFFICE OF THE STATE SOLICITOR

## CERTIFICATE OF NECESSITY

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

having considered the proposed **Appropriation (National Parliament 2026) Bill 2025** and having formed the opinion that the Bill is necessary for the intended purposes;

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

Dated this 18 day of November 2025.



**DANIEL ROLPAGAREA**  
State Solicitor



2026 National Budget

2026 APPROPRIATION BILL

(JUDICIARY SERVICES 2026), BILL 2025

*On the Occasion of the Presentation of the 2026 National Budget*

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

***APPROPRIATION (JUDICIARY SERVICES 2026) BILL 2025***

**FOR THE YEAR ENDING 31 DECEMBER 2026**

The purpose of the *Appropriation (Judiciary Services 2026) Bill 2025* is to provide the sum of **K444,903,531.00** for the activities of the Judiciary for the year ending 31 December 2026, as required under Section 209 (2) (b) (iii) of the Constitution as amended.



## CERTIFICATE.

I, certify that I have drafted the *Appropriation (Judiciary Services 2026) Bill 2025* (Draft of 24/11/2025) in accordance with the National Executive Council Decision No: 291/2025 dated 16<sup>th</sup> November, 2025, and the Drafting Instructions.

A handwritten signature in blue ink, which appears to read 'MToliman', is positioned above the printed name of the signatory.

**MARLEEN TOLIMAN AKOP**  
FIRST LEGISLATIVE COUNSEL.

24<sup>th</sup> November, 2025.

24/11/2025



No.            of 2025.

*Appropriation (Judiciary Services 2026) Bill 2025.*

**ARRANGEMENT OF CLAUSES.**

1.     Grant of K444,903,531.00.
2.     Appropriation.
3.     Adjustment of appropriations for identified matters.



A BILL

for

AN ACT

entitled

*Appropriation (Judiciary Services 2026) Bill 2025,*

Being an Act to appropriate out of the Consolidated Revenue Fund sums for the Judiciary Services Operational and Capital expenditure for the year ending 31 December 2026,

MADE by the National Parliament.

**1. GRANT OF K444,903,531.00.**

Subject to authorisation from the Treasurer, the Departmental Head responsible for treasury matters may issue out of the Consolidated Revenue Fund and apply for the operational and capital expenditure of the Judiciary for the year ending 31 December 2026 the sum of K444,903,531.00.

**2. APPROPRIATION.**

Sums granted by this Act out of the Consolidated Revenue Fund for the financial year ending 31 December 2026 are appropriated for the operational and capital expenditure for the Judiciary listed in the Schedule.

**3. ADJUSTMENT OF APPROPRIATIONS FOR IDENTIFIED MATTERS.**

(1) Appropriations for the Judiciary may only be increased by reallocations from "Contingency Fund" in Volume 2A which is appropriated to Division 207 - Crosscutting Activities.

(2) Appropriations for the Judiciary may only be reallocated or decreased by an Act of Parliament.

*Appropriation (Judiciary Services 2026)*

**SCHEDULE.**

Sec. 2.

**ESTIMATES OF EXPENDITURE FOR THE YEAR ENDING 31 DECEMBER 2026.**

<b>BUDGET AGENCY.</b>	<b>2026 BUDGET (PGK)</b>
<b>223 Judiciary Services</b>	<b>K444,903,531.00</b>
Personnel Emoluments	K209,318,000.00
Goods and Services	K230,585,531.00
Capital Investment	K5,000,000.00
<b>Grand Total</b>	<b>K444,903,531.00</b>



INDEPENDENT STATE OF PAPUA NEW GUINEA

OFFICE OF THE STATE SOLICITOR

## **CERTIFICATE OF NECESSITY**

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

having considered the proposed **Appropriation (Judiciary Services 2026) Bill 2025** and having formed the opinion that the Bill is necessary for the intended purposes;

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

Dated this 18 day of November 2025.



**DANIEL ROLPAGAREA**  
State Solicitor



2026 National Budget

## 2026 TAXATION AMENDMENT BILLS

### **EXCISE TARIFF (2026 BUDGET) (AMENDMENT), BILL 2025**

*On the Occasion of the Presentation of the 2026 National Budget*

## SECOND READING SPEECH

### *EXCISE TARIFF (2026 BUDGET) (AMENDMENT) BILL 2025*

MR SPEAKER,

THE BILL PROPOSES AN AMENDMENT TO THE *EXCISE TARIFF ACT 1956* TO:

1. CONTINUE TO SUSPEND THE BI-ANNUAL EXCISE INDEXATION RATE FOR BEER PRODUCTS AND TIER-1 TOBACCO PRODUCTS FOR A FURTHER 12-MONTHS, WHICH WILL BE EFFECTIVE AS OF 01<sup>ST</sup> DECEMBER 2025 AND ENDS ON 30<sup>TH</sup> NOVEMBER 2026; AND
2. INCREASE THE EXCISE DUTY ON DIESEL BY K0.06 PER LITER STARTING 01<sup>ST</sup> JANUARY 2026. THE CURRENT IS K0.23 PER LITRE OF DIESEL, AND BY 01<sup>ST</sup> JANUARY 2026, THE RATE WILL BE INCREASED BY K0,06 TO K0.29 PER LITRE.

MR SPEAKER, I COMMEND THE BILL.

## EXPLANATORY MEMORANDUM

### *Excise Tariff (2026 Budget)(Amendment) Bill 2025*

The Bill Proposes to:

1. Continue to suspend the bi-annual excise indexation rate on Beer products and Tier-1 Tobacco products for another 12 months period. This measure aims to stabilize prices by maintaining 2024 and 2025 price levels throughout 2026, fight illicit, while also meeting the expectation of raising additional revenue.
2. Increase the excise duty on diesel by K0.06 per litre starting 01<sup>st</sup> January 2026. The current rate is K0.23 per litre, and by 01<sup>st</sup> January 2026, the rate will be increased by K0.06 to K0.29 per litre. The reform was aimed to support environmental policy objectives, enhance domestic revenue mobilization and to meet IMF benchmark-Revenue Measure (RM 9).

The measure will be effective on 01<sup>st</sup> January 2026 and onwards.



## CERTIFICATE.

I, certify that I have drafted the *Excise Tariff (2026 Budget)(Amendment) Bill 2025* (Draft of 21/11/2025) in accordance with the National Executive Council Decision No: 291/2025 dated 16<sup>th</sup> November, 2025, and the Drafting Instructions.

A handwritten signature in blue ink, which appears to read 'M Toliman', is positioned above the printed name.

MARLEEN TOLIMAN AKOP  
FIRST LEGISLATIVE COUNSEL.

24<sup>th</sup> November, 2025.



No. of 2025

*Excise Tariff (2026 Budget)(Amendment) Bill 2025.*

**ARRANGEMENT OF CLAUSE.**

Duties on Excise (Amendment of Schedule 1).



A BILL

for

AN ACT

entitled

***Excise Tariff (2026 Budget)(Amendment) Bill 2025,***

Being an Act to amend the *Excise Tariff Act* (Chapter 107),

MADE by the National Parliament to come into operation on -

- (a) 1<sup>st</sup> December 2025 for Paragraphs (a) and (b); and  
 (b) 1<sup>st</sup> January 2026 for Paragraph (c).

**DUTIES ON EXCISE (AMENDMENT OF SCHEDULE 1).**

Schedule 1 of the Principal Act is amended by -

- (a) repealing the tariff items, description of goods, the excise duty rates and the remarks shown in the schedule and replacing them with the tariff items, description of goods, the excise duty rates and remarks as shown below -

<b>Tariff Item.</b>	<b>Description.</b>	<b>From 1<sup>st</sup> December 2025 to 31<sup>st</sup> May 2026.</b>	<b>From 1<sup>st</sup> June 2026 to 30<sup>th</sup> November 2026.</b>	<b>From 1<sup>st</sup> December 2026 and onwards.</b>	<b>Remarks.</b>
<b>22.03</b>	<b>BEER MADE FROM MALT.</b>				
2203.00.10	Beer or mixed drinks containing beer, not more than 2.5% alcohol by volume.	K103.17	K103.17	K105.75	The 2.5 per cent bi-annual excise indexation for Beer is suspended for a period of 12 months starting 1 <sup>st</sup> December 2025 and ends on 30 <sup>th</sup> November 2026.
2203.00.20	Beer or mixed drinks containing beer, more than 2.5% and not more than 3.5% alcohol by volume	K133.14	K133.14	K136.47	

**Excise Tariff (2026 Budget)(Amendment)**

<b>Tariff Item.</b>	<b>Description.</b>	<b>From 1<sup>st</sup> December 2025 to 31<sup>st</sup> May 2026.</b>	<b>From 1<sup>st</sup> June 2026 to 30<sup>th</sup> November 2026.</b>	<b>From 1<sup>st</sup> December 2026 and onwards.</b>	<b>Remarks.</b>
2203.00.30	Beer or mixed drinks containing beer with more than 3.5% and not more than 4.5% alcohol by volume.	K151.69	K151.69	K155.48	
2203.00.40	Beer or mixed drinks containing beer more than 4.5% alcohol by volume.	K176.15	K176.15	K180.55	The 2.5 per cent bi-annual excise indexation for Beer is suspended for a period of 12 months starting 1st December 2025 and ends on 30th November 2026. The 2.5 per cent biannual excise indexation will apply on 1 <sup>st</sup> December 2026 onwards.

”; and

- (b) repealing the tariff items, description of goods, the excise duty rates and the remarks shown in the schedule and replacing them with the tariff items, description of goods, the excise duty rates and remarks as shown below -

**Excise Tariff (2026 Budget)(Amendment)**

<b>Tariff Item.</b>	<b>Description.</b>	<b>From 1<sup>st</sup> December 2025 to 31<sup>st</sup> May 2026.</b>	<b>From 1<sup>st</sup> June 2026 to 30<sup>th</sup> November 2026.</b>	<b>From 1<sup>st</sup> December 2026 and onwards.</b>	<b>Remarks.</b>
2402.10.00	Cigars, cheroots and cigarillos, containing tobacco	K634.72	K634.72	K650.59	The 2.5 per cent bi-annual excise indexation for first tier tobacco is suspended again for a period of 12 months starting 1 <sup>st</sup> December 2025 and ends on 30 <sup>th</sup> November 2026. The 2.5 per cent biannual excise indexation will apply on 1 <sup>st</sup> December 2026 onwards.
2402.20.10	Cigarettes of tobacco or tobacco substitute with filter containing tobacco. Manufacturer's selling price (MSP) K16.00 and above per 25's pack or K640.00 per thousand sticks	K634.72	K634.72	K650.59	

**Excise Tariff (2026 Budget)(Amendment)**

<b>Tariff Item.</b>	<b>Description.</b>	<b>From 1<sup>st</sup> December 2025 to 31<sup>st</sup> May 2026.</b>	<b>From 1<sup>st</sup> June 2026 to 30<sup>th</sup> November 2026.</b>	<b>From 1<sup>st</sup> December 2026 and onwards.</b>	<b>Remarks.</b>
2402.20.20	Cigarettes of tobacco or tobacco substitute without filter containing dark fired tobacco (spear or equivalent).	K317.40	K317.40	K325.34	The 2.5 per cent bi-annual excise indexation for first tier tobacco is suspended again for a period of 12 months starting 1 <sup>st</sup> December 2025 and ends on 30 <sup>th</sup> November 2026. The 2.5 per cent biannual excise indexation will apply on 1 <sup>st</sup> December 2026 onwards.
2403.19.10	Smoking tobacco, whether or not containing tobacco substitutes in any portion.	K211.63	K211.63	K216.92	
2403.19.20	Manufactured tobacco for the production of cigarettes.	K211.63	K211.63	K216.92	
2403.19.30	Chewing tobacco.	K211.63	K211.63	K216.92	
2403.19.40	Snuff.	K211.63	K211.63	K216.92	
2403.19.50	Twist or trade tobacco.	K211.63	K211.63	K216.92	
2403.19.60	Stick tobacco	K211.63	K211.63	K216.92	
2403.19.70	Coarse shredded tobacco for roll your own cigarettes	K102.31	K102.31	K104.87	
2403.91.00	"Homogenised" or "reconstituted" tobacco	K293.97	K293.97	K301.32	
2403.99.0	Other.	K211.63	K211.63	K216.92	

”; and

(c) repealing the tariff items, description of goods, the excise duty rates and the remarks shown in the schedule and replacing them with the tariff items, description of goods, the excise duty rates and remarks as shown below -

*Excise Tariff (2026 Budget)(Amendment)*

“

<b>Tariff Item.</b>	<b>Description of Goods.</b>	<b>From 1<sup>st</sup> January 2025 to 31<sup>st</sup> December 2025.</b>	<b>From 1<sup>st</sup> January 2026 and onwards.</b>	<b>Unit.</b>	<b>Remarks.</b>
2710.19.10	Diesel.	K0.23	K0.29	Per Litre	The excise duty for diesel is increased by K0.06 as of 1 <sup>st</sup> January 2026 and will continue thereon.

”



INDEPENDENT STATE OF PAPUA NEW GUINEA

OFFICE OF THE STATE SOLICITOR

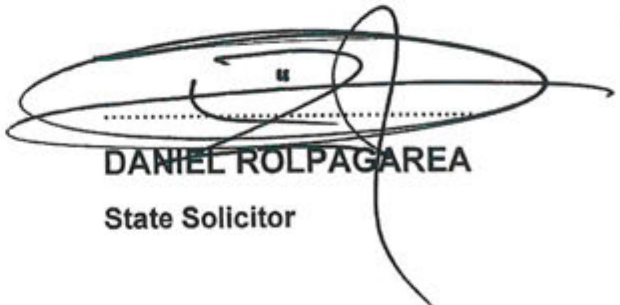
**CERTIFICATE OF NECESSITY**

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

having considered the proposed **Excise Tariff (2026 Budget) (Amendment) Bill 2025** and having formed the opinion that the Bill is necessary for the intended purposes;

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

Dated this 18 day of November 2025.



**DANIEL ROLPAGAREA**  
State Solicitor



2026 National Budget

2026 TAXATION AMENDMENT BILLS

**INCOME TAX (2026 BUDGET)**  
**(AMENDMENT No.1) BILL, 2025 FOR**  
**INCOME TAX ACT 1959**

*On the Occasion of the Presentation of the 2026 National Budget*

**SECOND READING SPEECH**

***INCOME TAX (2026 BUDGET) (AMENDMENT) BILL 2025***

MR SPEAKER,

THIS BILL PROPOSES AMENDMENT TO THE *INCOME TAX ACT 1959* TO:

1. INCLUDE A NEW DEFINITION FOR “CERTIFICATION OF COMPLETION”.
2. EMPOWER THE NATIONAL EXECUTIVE COUNCIL TO APPROVE THE INFRASTRUCTURE TAX CREDIT (ITC) SCHEME PROJECTS.
3. EXTEND THE DEFINITION OF HIGHLANDS HIGHWAY TO INCLUDE FROM TOGOBA JUNCTION TO PORGERA.
4. OBLIGE ELIGIBLE TAXPAYERS TO SPEND 0.5 PERCENT OF THE ASSESSABLE FROM THE 3 PERCENT ITC PRESCRIBED RATE ON AUTONOMOUS REGION OF BOUGAINVILLE ON PROJECTS SPECIFIED THROUGH A REGULATION APPROVED BY THE TREASURER.
5. ESTABLISH AN INFRASTRUCTURE TAX CREDIT BOARD WITH DEPARTMENT OF TREASURY AS THE CHAIRMAN.
6. CLARIFIES WHEN INFRASTRUCTURE TAX CREDITS CAN BE CLAIMED.
7. INSTITUTES A TRANSITIONAL ARRANGEMENT IN THE TREATMENT OF EXISTING TAX CREDITS.
8. TERMINATES THE INFRASTRUCTURE TAX CREDIT SCHEME PROGRAM BY 31<sup>ST</sup> DECEMBER 2032 UNLESS EXTENDED BY PARLIAMENT.

MR SPEAKER, I COMMEND THE BILL.

## **EXPLANATORY MEMORANDUM**

### ***Income Tax (2026 Budget) (Amendment) Bill 2025***

This Bill proposes amendment to the following:

9. Include new definition for “Certification of Completion”.
10. Empower the National Executive Council to approve the Infrastructure Tax Credit (ITC) Scheme projects.
11. Extend the definition of Highlands Highway to include from Togoba Junction to Porgera.
12. Oblige eligible taxpayers to spend 0.5 per cent of the assessable from the 3.0 per cent ITC prescribed rate on the Autonomous Region of Bougainville on projects specified through a Regulation approved by the Treasurer.
13. Establish an Infrastructure Tax Credit Board with the Department of Treasury as the Chairman.
14. Clarifies when infrastructure tax credits can be claimed.
15. Institutes a transitional arrangement in the treatment of existing tax credits.
16. Terminates the Infrastructure tax credit scheme program by 31<sup>st</sup> December 2032 unless extended by Parliament.



## CERTIFICATE.

I, certify that I have drafted the *Income Tax (2026 Budget) (Amendment No.1) Bill 2025* (Draft of 24/11/2025) in accordance with the National Executive Council Decision No: 291/2025 dated 16<sup>th</sup> November, 2025, and the Drafting Instructions.

A handwritten signature in blue ink, which appears to read "M Toliman". The signature is written in a cursive style with a horizontal line above the first few letters.

**MARLEEN TOLIMAN AKOP**  
FIRST LEGISLATIVE COUNSEL.

24<sup>th</sup> November, 2025.



*Income Tax (2026 Budget) (Amendment No.1) Bill 2025.*

**ARRANGEMENT OF CLAUSES.**

1. Tax credit allowable (Amendment of Section 161A).
2. Repeal and replacement of Section 219C.

**“219C. CREDITS IN RESPECT OF PRESCRIBED INFRASTRUCTURE DEVELOPMENTS.”.**

3. New Sections 219CA, 219CB, 219CC and 219CD.

**“219CA. PRESCRIBED INFRASTRUCTURE DEVELOPMENT BOARD.**

**219CB. ESTABLISHMENT OF THE PRESCRIBED INFRASTRUCTURE DEVELOPMENT BOARD.**

**219CC. TRANSITIONAL ARRANGEMENT FOR EXISTING TAX CREDITS.**

**219CD. SUNSET CLAUSE FOR PRESCRIBED INFRASTRUCTURE DEVELOPMENT CREDITS.”.**



A Bill  
for  
AN ACT  
entitled,

*Income Tax (2026 Budget) (Amendment No.1) Bill 2025,*

Being an Act to amend the *Income Tax Act 1959*, and for related purposes,

MADE by the National Parliament.

**1. TAX CREDIT ALLOWABLE (AMENDMENT OF SECTION 161A).**

Section 161A of the Principal Act is amended by adding immediately after Subsection (2) the following new subsection:

“(3) The National Petroleum Authority Levy payable in respect of any petroleum or designated gas project with fiscal stability agreement is deemed to be income tax paid for the year in which levy is paid.”

**2. REPEAL AND REPLACEMENT OF SECTION 219C.**

Section 219C of the Principal Act is repealed and replaced with the following new sections:

**“219C. CREDITS IN RESPECT OF INFRASTRUCTURE DEVELOPMENTS.**

(1) In this section -

“certificate of completion” means a certificate issued by the Infrastructure Development Board -

- (a) confirming that a prescribed infrastructure development project, or a part of the prescribed infrastructure development project, has been completed and is eligible for the income tax credit; and
- (b) which specifies the amount of prescribed infrastructure development expenditure that is eligible to be claimed as an income tax credit under this section;

“prescribed infrastructure development” means an infrastructure project approved for funding through the tax credit scheme and for which the taxpayer has entered into an agreement with a Government agency including not limited to the following projects which are deemed for the purposes of this Act to have received the relevant approval for the purposes of this section:

- (a) Highlands highway (the road from Lae to Koroba (Fugwa turn off) and Togoba Junction to Pogera); and
- (b) an approved LNG Project Company which has been approved by the State to be an Approved LG Project Company or the purposes of this section; and

## *Income Tax (Amendment)*

- (c) any existing approved infrastructure development entered into and agreed under a mining or petroleum development agreement;

“eligible taxpayer” means -

- (a) a taxpayer engaged in mining, petroleum or gas project, who have been granted or issued a resource right license; and
- (b) a taxpayer engaged in primary production, or tourism; and
- (c) a taxpayer who is a P'nyang LNG Project Participant, except were specified otherwise.

(2) Subject to Subsection (8), and excluding a LNG Project Company, where an eligible taxpayer has, during a tax year, incurred prescribed infrastructure development expenditure, the amount of the expenditure incurred and certified is treated as income tax paid by the eligible taxpayer for the tax year in an amount equal to the lesser than -

- (a) 3% of the assessable income derived by the eligible taxpayer for the tax year; or
- (b) of the eligible taxpayer's assessed tax liability for the tax year before the allowance of any tax credit.

(2A) Where a LNG Project Company has, during a tax year, incurred prescribed infrastructure development expenditure, the amount of the expenditure incurred and certified is treated as income tax paid by the eligible taxpayer for the tax year in an amount equal to the lesser than -

- (a) 3% of the assessable income derived by the eligible taxpayer for the tax year; or
- (b) of the eligible taxpayer's assessed tax liability for the tax year before the allowance of any tax credit.

(3) The amount of prescribed infrastructure development expenditure treated under Subsection (2) as income tax paid by an eligible taxpayer excluding a LNG Project Company for a tax year is credited against the eligible taxpayer's income tax liability for the later of -

- (a) the tax year in which the prescribed infrastructure development expenditure is approved and incurred; or
- (b) the tax year in which the infrastructure development for which the prescribed infrastructure development expenditure under Subsection (1) was approved and incurred is certified as completed by the Infrastructure Development Board.

(3A) The amount of prescribed infrastructure development expenditure treated under Subsection (2) as income tax paid by a LNG Project Company for a tax year is credited against the eligible taxpayer's income tax liability for the earlier of -

- (a) the tax year in which the prescribed infrastructure development expenditure is approved and incurred; or
- (b) the tax year in which the infrastructure development for which the prescribed infrastructure development expenditure under Subsection (1) was approved and

## *Income Tax (Amendment)*

incurred is certified as completed by the Infrastructure Development Board.

(4) Where an eligible taxpayer has incurred prescribed infrastructure development expenditure in a tax year in excess of the amount treated as income tax under this section, the excess is carried forward to the next following tax year and treated as prescribed infrastructure development expenditure for that next tax year, and so on until the expenditure has been fully treated as income tax.

(5) Prescribed infrastructure development expenditure incurred by an eligible taxpayer excluding a LNG Project Company may be carried forward under this section for no more than seven tax years after the end of the tax year in which the expenditure is allowed as a credit under this section.

(5A) Prescribed infrastructure development expenditure incurred by a LNG Project Company may be carried forward under this section for no more than 20 tax years after the end of the tax year in which the expenditure is allowed as a credit under this section.

(6) Where an eligible taxpayer has an excess carried forward under Subsection (5) for more than one tax year, the excess of the earliest tax year is to be credited first.

(7) For every prescribed infrastructure development expenditure incurred by a LNG Project Company, the LNG Project Company must spend 0.5% of 3% Infrastructure Credit on prescribed infrastructure development projects in the Autonomous Region of Bougainville.

(8) The Minister may issue regulations to require for every prescribed infrastructure development expenditure incurred by an eligible taxpayer to spend 0.5% of that amount on prescribed infrastructure development projects in the Autonomous Region of Bougainville.

(9) After 31<sup>st</sup> December 2033, the rate specified in Subsection (2)(a) shall reduce to 2%.

### **3. NEW SECTIONS 219CA, 219CB, 219CC AND 219CD.**

The Principal Act is amended by adding immediately after Section 219C, the following new sections:

#### **“219CA. PROGRESSIVE CLAIMS ON CERTIFICATION OF COMPLETION.**

(1) Where an eligible taxpayer has incurred prescribed infrastructure development expenditure on a project that has been completed, the taxpayer may apply to the Prescribed Infrastructure Development Board for a completion certificate.

(2) Notwithstanding Subsection (3), where an eligible taxpayer has incurred prescribed infrastructure development expenditure on a project that has been partially completed or met a prescribed milestone, the taxpayer may apply to the Prescribed Infrastructure Development Board for a partial completion certificate or milestone completion certificate.

*Income Tax (Amendment)*

(3) The proportion of expenditure eligible for credit shall correspond to the proportion of the project that has been certified as completed, as determined by the Infrastructure Development Board.

(4) The balance of the prescribed infrastructure development expenditure not yet credited under a partial completion certification may be claimed progressively upon further certifications of completion or upon final certification of full completion, subject to the limitations of this Act.

(5) For the avoidance of doubt, prescribed infrastructure development expenditure may be credited in stages over multiple tax years, in accordance with the timing and proportion of completion certified by the Prescribed Infrastructure Development Board.

**219CB. ESTABLISHMENT OF THE PRESCRIBED INFRASTRUCTURE DEVELOPMENT BOARD.**

(1) The Prescribed Infrastructure Development Board is established.

(2) The Prescribed Infrastructure Development Board comprise -

- (a) the Departmental Head of the Department responsible for National Planning and Monitoring matters, or his nominee; and
- (b) the Departmental Head of the Department responsible for treasury matters, who shall be the Chairman, or his nominee; and
- (c) the Departmental Head responsible for Department of Prime Minister, or his nominee; and
- (d) the Departmental Head responsible for Works and Highways matters; and
- (e) the Commissioner General of the Internal Revenue Commission or his nominee; and
- (e) the heads of agencies responsible for -
  - (i) petroleum and gas matters; or
  - (ii) minerals and geohazards matters; or
  - (iii) any other departments or agencies, that are required to attend the Board meeting as and when required.

(3) The Tax Credit Infrastructure Development Board has the following functions:

- (a) to screen the project proposals submitted for funding under the tax credit scheme in Section 219C; and
- (b) to ensure the project proposals align with government policies, plans and the relevant existing project agreements; and
- (c) to issue completion certificate, including partial completion certificates.

(4) The Tax Credit Infrastructure Development Board shall determine its own meeting procedures that includes but not limited to convening of meetings, recording of meeting minutes, decisions, screening criteria.”.

*Income Tax (Amendment)*

**219CC. TRANSITIONAL ARRANGEMENT FOR EXISTING TAX CREDITS.**

(1) Notwithstanding Sections 219C, 219CA and 219CB, any prescribed infrastructure development expenditure incurred and approved under a valid infrastructure tax credit agreement entered into before the commencement of this section shall not be subject to the requirement for a certificate of completion.

(2) Eligible taxpayers may continue to claim income tax credits in respect of such expenditure in accordance with the terms of the agreement and the tax laws in force at the time the agreement was entered into, including any approvals previously granted by the Internal Revenue Commission or relevant Government agency.

(3) For the avoidance of doubt, infrastructure tax credit projects approved prior to the commencement of this section -

- (a) are not required to obtain a certificate of completion; and
- (b) may continue to claim income tax credits without such certificate, subject to any applicable limits.

(4) The Internal Revenue Commission may, in consultation with the Prescribed Infrastructure Development Board, issue guidelines to clarify the treatment of ongoing projects during the transitional period.

**219CD. SUNSET CLAUSE FOR PRESCRIBED INFRASTRUCTURE DEVELOPMENT CREDITS.**

(1) Notwithstanding anything in Section 219C, an eligible taxpayer may only incur prescribed infrastructure development expenditure for the purposes of claiming an income tax credit under this section in relation to expenditure incurred on or before 31 December 2032.

(2) Any prescribed infrastructure development expenditure incurred by an eligible taxpayer on or before 31 December 2032, but not yet fully credited as income tax under Section 219C, may continue to be claimed in accordance with Subsection 219C(5) for a period not exceeding seven tax years after the tax year in which the expenditure was incurred.

(3) After the expiration of the final carry forward period provided under Subsection 219C(5), this section and Sections 219C, 219CA, 219CB, 219CD shall cease to have effect and shall be deemed repealed, unless extended by legislation.

(4) The sunset clause only applies to the 3% which is to drop to 2% after 7 years.”.



INDEPENDENT STATE OF PAPUA NEW GUINEA

OFFICE OF THE STATE SOLICITOR

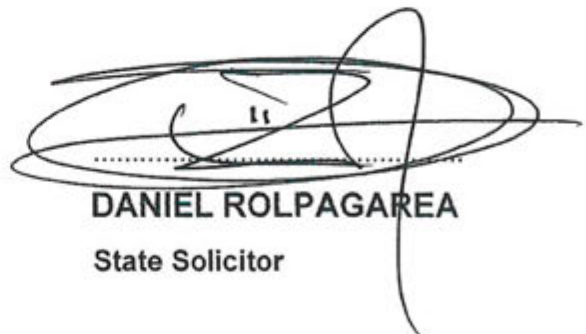
## CERTIFICATE OF NECESSITY

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

having considered the proposed **INCOME TAX (CREDITS) (AMENDMENT) BILL 2025** and having formed the opinion that the Bill is necessary for the intended purposes;

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

Dated this 31 day of July 2025.



**DANIEL ROLPAGAREA**  
State Solicitor



2026 National Budget

2026 TAXATION AMENDMENT BILLS

**INCOME TAX (2026 BUDGET)**  
**(AMENDMENT No. 2) BILL, 2025 FOR**  
**INCOME TAX 2025**

*On the Occasion of the Presentation of the 2026 National Budget*

**SECOND READING SPEECH**  
***INCOME TAX (AMENDMENT) BILL 2025***

MR SPEAKER,

THIS BILL AMEND THE INCOME TAX ACT 2025 BY PROPOSING TO:

- INSERT A NEW DEFINITION OF “PRESCRIBED INFRASTRUCTURE DEVELOPMENT BOARD”;
- INCREASE THE INFRASTRUCTURE TAX CREDIT RATE TO 3 PERCENT;
- OBLIGE ELIGIBLE TAXPAYERS TO SPEND 0.5 PERCENT OF THE ASSESSABLE FROM THE 3 PERCENT ITC PRESCRIBED RATE ON AUTONOMOUS REGION OF BOUGAINVILLE ON PROJECTS SPECIFIED THROUGH A REGULATION APPROVED BY THE TREASURER;
- REAFFIRM PNG LNG GAS AGREEMENT SPECIAL TAX CREDIT CONCESSIONS UNDER EXHIBIT F;
- TREAT PRESCRIBED INFRASTRUCTURE DEVELOPMENT EXPENDITURE INCURRED BY A PNG LNG PROJECT PARTICIPANT FROM 1 JANUARY 2026 AS INCOME TAX PAID, BUT ANY AMOUNT THAT EXCEEDS THE PARTICIPANT’S TAX LIABILITY BECOMES A DEBT OWED RATHER THAN A CREDIT OR REFUND;
- INSERT A NEW PROVISION PERMITTING A TAX CREDIT FOR PETROLEUM LEVY;
- UPDATES THE TAX ADMINISTRATION ACT 2017 SO THAT ALL REFERENCES, TERMS AND CROSS-REFERENCES MATCH THE NEW INCOME TAX ACT 2025;
- CORRECT AN UNINTENDED ERROR THAT RESTORES THE EXEMPTION PROVIDED TO RETIREES THAT SERVED MORE THAN 15 YEARS REINFORCING THE ANNOUNCEMENT MADE IN THE 2025 BUDGET; AND
- MAKES MINOR CORRECTIONS.

MR SPEAKER, I COMMEND THE BILL.

**EXPLANATORY MEMORANDUM**  
*Income Tax Bill (Amendment) Bill 2025*

This bill amend the Income Tax Act 2025 by proposing to:

- Insert a new definition of “Prescribed Infrastructure Development Board”;
- Increase the Infrastructure Tax Credit Rate to 3 percent;
- Obliges eligible taxpayers to spend 0.5 percent of the assessable from the 3 percent ITC prescribed rate on Autonomous Region of Bougainville on projects specified through a Regulation approved by the Treasurer;
- reaffirm PNG LNG Gas Agreement special tax credit concessions under Exhibit F;
- treat prescribed infrastructure development expenditure incurred by a PNG LNG Project Participant from 1 January 2026 as income tax paid, but any amount that exceeds the participant’s tax liability becomes a debt owed rather than a credit or refund;
- insert a new provision permitting a tax credit for petroleum levy;
- updates the Tax Administration Act 2017 so that all references, terms, and cross-references match the new Income Tax Act 2025.
- correct an unintended error that restores the exemption provided to retirees that served more than 15 years reinforcing the announcement made in the 2025 Budget; and
- makes minor corrections.



## CERTIFICATE.

I, certify that I have drafted the *Income Tax Act (2026 Budget)(Amendment No.2) 2025* (Draft of 24/11/2025) in accordance with the National Executive Council Decision No: 292/2025 dated 16<sup>th</sup> November, 2025, and the Drafting Instructions.

A handwritten signature in blue ink, which appears to read "MToliman".

MARLEEN TOLIMAN AKOP  
FIRST LEGISLATIVE COUNSEL.

24<sup>th</sup> November, 2025.



No. of 2025.

*Income Tax Act (2026 Budget)(Amendment No.2) 2025.*

**ARRANGEMENT OF CLAUSES.**

1. Prescribed Infrastructure Development Expenditure (Amendment of Section 128).
2. New Section 129A.

**“129A. TAX CREDITS FOR PETROLEUM LEVY.”.**

3. Application of the *Tax Administration Act 2017* (Amendment of Section 133).
4. Schedule 1 (Amendment of Part 1).



A Bill

for

AN ACT

entitled,

***Income Tax Act (2026 Budget)(Amendment No.2) 2025,***

Being an Act to amend ***Income Tax Act 2025***, and for related purposes,

MADE by the National Parliament to come into operation on the 1<sup>st</sup> of January 2026.

**1. PRESCRIBED INFRASTRUCTURE DEVELOPMENT EXPENDITURE (AMENDMENT OF SECTION 128).**

Section 28 of the Principal Act is amended -

(a) by repealing Subsection (1) and replacing it with the following:

(1) In this section -

“eligible taxpayer” means -

- (a) a licensee as defined in Section 100; or
- (b) a person conducting a primary production business;

“Prescribed Infrastructure Development Board” means the Prescribed Infrastructure Board established under Section 219CB of the ***Income Tax Act 1959*** and which continues to operate for the purposes of this Act subject to any modifications in the Regulations.”; and

(b) in Subsection (2)(a) by repealing “2%” and replacing it with “3%”; and

(c) in Subsection (3)(b) by adding immediately after the words “as completed” the following words:

“by the Prescribed Infrastructure Development Board”; and

(d) by adding immediately after Subsection (7) the following new subsections:

“(8) The Minister may issue regulations to require that 0.5% of prescribe infrastructure development expenditure incurred by an eligible taxpayer is spent on prescribed infrastructure development projects in the Autonomous Region of Bougainville.

(9) For the avoidance of doubt, the operation of this section is subject to Section 164(16), whereby Section 219C of the repealed Act continues to apply a LNG Project Company (as defined in the repealed Act) for -

- (a) approved Infrastructure Expenditure as defined in Exhibit F of the PNG LNG Gas Agreement; and
- (b) other Prescribed Infrastructure development expenditure approved by the State and to be implemented after the coming into operation of this Act, whereby references to 1.25% in Section 219C(12) of the repealed Act are to be replaced with 3%.

(10) Where this section applies to treat any amount of prescribed infrastructure development expenditure incurred by a PNG LNG Project Participant on or after 1 January 2026 as income paid as discharging the taxpayer's income tax liability, any balance remaining after such discharge is a debt due."

## 2. NEW SECTION 129A.

The Principal Act is amended by inserting immediately after Section 129 the following new section:

### **"129A. TAX CREDITS FOR PETROLEUM LEVY.**

(1) In this section, "National Petroleum Authority" Levy means the levy imposed under Section 50 of the *National Petroleum Authority Act 2025*.

(2) The National Petroleum Authority levy payable under the *National Petroleum Authority Act 2025* in respect of any petroleum or designated gas project with a fiscal stability agreement with the Government, entered into prior to the coming into effect of this amendment, is deemed to be income tax paid for the year in which the levy is paid."

## 3. APPLICATION OF THE TAX ADMINISTRATION ACT 2017 (AMENDMENT OF SECTION 133).

Section 133 of the Principal Act is amended -

- (a) by inserting immediately before "The *Tax Administration Act 2017*", Subsection "(1)"; and
- (b) inserting immediately after Subsection (1) the following subsection:

"(2) For the purposes of Subsection (1) -

- (a) reference in the *Tax Administration Act 2017* to *Income Tax Act 1959* are treated as references to this Act; and
- (b) references in the *Tax Administration Act 2017* to "year of assessment" are treated as references to "tax year"; and
- (c) reference in the definition to "tax avoidance provision" in Section 2(1) to "Section 361" is treated as reference to "Section 131"; and
- (d) the reference in Section 30(2)(b) of the *Tax Administration Act 2017* to -
  - (i) "additional tax" is treated as a reference to "penalty"; and
  - (ii) "Section 262 of the *Income Tax Act 1959*" is treated as a reference to Section 94 of the *Tax Administration Act 2017*; and

*Income Tax Act (Amendment) 2025*

- (iii) “Section 262(2) of the *Income Tax Act 1959*” is treated as a reference to Section 101(6) of the *Tax Administration Act 2017*; and
- (e) the references in Section 48 of the *Tax Administration Act 2017* to -
  - (i) “salary and wages” are treated as references to the “employment income”; and
  - (ii) “salary and wages withholding tax return” are treated as references to “employer withholding tax return”; and
  - (iii) “tax withheld from salary and wages” are treated as references to “employer withholding tax”; and
  - (iv) “statement required to be furnished under Section 299G(4)(a) of the *Income Tax Act 1959* (referred to as a “salary and wages withholding statement”) is treated as a reference to “withholding tax return” required to be filed under Section 158 of this Act relating to employment income (referred to as an “employment withholding tax return”); and
  - (v) “salary or wages (referred to as “salary and withholding tax”) is treated as a reference to “employment income (referred to as “employer withholding tax”)”; and
- (f) Section 12(8)(b), 13(7), 62(5)(b), 138(9), or 160 of this Act are refundable tax credits under Section 51(1)(a) of the *Tax Administration Act 2017*; and
- (g) paragraphs (b) to (g) (inclusive) of Part I of Schedule 1 of the *Tax Administration Act 2017* do not apply for the purposes of this Act.”.

**4. SCHEDULE 1 (AMENDMENT OF PART 1).**

Schedule 1 to the Principal Act is amended in Part 1 in the column headed “Rate of Tax” in Item 12(c) by repealing “2%” and replacing it with “0”.



No. of 2025.

***Income Tax Act (2026 Budget)(Amendment No.2) 2025.***

**ARRANGEMENT OF CLAUSES.**

1. Prescribed Infrastructure Development Expenditure (Amendment of Section 128).
2. New Section 129A.

**“129A. TAX CREDITS FOR PETROLEUM LEVY.”**

3. Application of the *Tax Administration Act 2017* (Amendment of Section 133).
4. Schedule 1 (Amendment of Part 1).



INDEPENDENT STATE OF PAPUA NEW GUINEA  
OFFICE OF THE STATE SOLICITOR  
**CERTIFICATE OF NECESSITY**

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

having considered the Income Tax (Amendment No.2) Bill 2025 and having formed the opinion that the Bill is necessary for the intended purposes;

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

Dated this 20 day of November 2025.



**DANIEL ROLPAGAREA**  
State Solicitor



2026 National Budget

2026 TAXATION AMENDMENT BILLS

**GOODS AND SERVICES (2026 BUDGET)  
(AMENDMENT), BILL, 2026**

*On the Occasion of the Presentation of the 2026 National Budget*

## **SECOND READING SPEECH**

### ***GOODS AND SERVICES TAX (2026 BUDGET) (AMENDMENT) BILL 2025***

MR SPEAKER,

THE BILL PROPOSES AMENDMENTS TO :

1. EXTEND THE APPLICATION OF THE GOODS AND SERVICES TAX ELECTRONIC MONITORING SYSTEM BEYOND COMPANIES, TO INCLUDE CERTAIN TAXPAYERS OR CLASSES OF TAXPAYERS AS MAY BE PRESCRIBED BY THE GOODS AND SERVICES REGULATION.
2. EXTEND THE PERIOD FOR EXEMPT SUPPLIES TO BASIC GOODS FROM 01<sup>ST</sup> JUNE 2026 TO 31<sup>ST</sup> DECEMBER 2026.

MR SPEAKER, I COMMEND THE BILL TO THE PARLIMENT.

## **EXPLANATORY MEMORANDUM**

### *Goods and Services Tax (2026 Budget)(Amendment) Bill 2025*

The Bill proposes the following:

1. The GMS is currently operational and has strengthen the GST administration and collection. However, its scope has been limited to companies registered under the GST Act.

Extend the scope of the GST Cash Register Monitoring System (GMS) to cover additional taxpayers, enabling more comprehensive monitoring of sales transactions. This expansion aims to enhance accurate reporting, improve compliance and ensuring the correct amount of GST revenue is remitted. This measure will be effective as of 01<sup>st</sup> January 2026.

2. Extend the period for exempt supplies to basic goods from 01<sup>st</sup> July 2026 to 31<sup>st</sup> December 2026. This is the continuation of the relief measure to address inflation.



## CERTIFICATE.

I, certify that I have drafted the *Goods and Services Tax (2026 Budget) (Amendment) Bill 2025* (Draft of 21/11/2025) in accordance with the National Executive Council Decision No: 283/2025 dated 12<sup>th</sup> November, 2025, and the Drafting Instructions.

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

**MARLEEN TOLIMAN AKOP**  
FIRST LEGISLATIVE COUNSEL.

24<sup>th</sup> November, 2025.



No.        of 2025.

*Goods and Services Tax (2026 Budget) (Amendment) Bill 2025.*

**ARRANGEMENT OF CLAUSES.**

1. Electronic Monitoring System (Amendment to Section 5A).
2. Exempt Supplies (Amendment of Section 25).

Draft of 21/11/25



A BILL

for

AN ACT

entitled

***Goods and Services Tax (2026 Budget)(Amendment) Bill 2025,***

Being an Act to amend the *Goods and Services Tax Act 2003*,

MADE by the National Parliament to come into operation on 1 January 2026.

**1. ELECTRONIC MONITORING SYSTEM (AMENDMENT TO SECTION 5A).**

Section 5A of the Principal Act is amended in Subsection (2) by deleting the word “company” and replacing it with the following:

“certain taxpayers or a class of taxpayers”.

**2. EXEMPT SUPPLIES (AMENDMENT OF SECTION 25).**

Section 25 of the Principal Act is amended in Subsection (8) by deleting “30<sup>th</sup> June 2026” and replacing it with the following:

“31<sup>st</sup> December 2026”.



INDEPENDENT STATE OF PAPUA NEW GUINEA

OFFICE OF THE STATE SOLICITOR

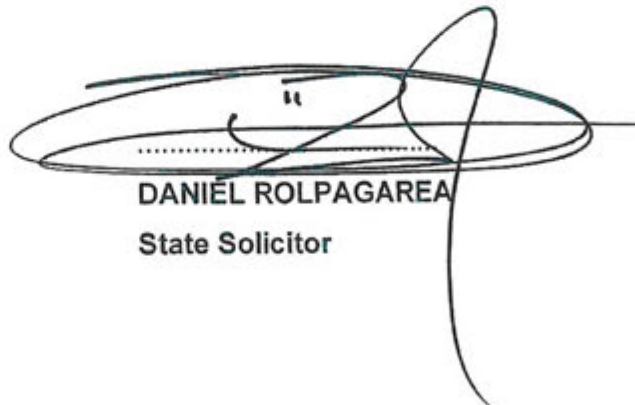
## CERTIFICATE OF NECESSITY

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

having considered the proposed *Goods and Services (2026 Amendment) Bill 2025*, and having formed the opinion that the Bill is necessary for the intended purposes;

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

Dated this 12<sup>th</sup> day of **November 2025**.



DANIEL ROLPAGAREA  
State Solicitor



2026 National Budget

OTHER CERTIFIED BILLS

**NATIONAL PETROLEUM AUTHORITY  
(2026 BUDGET) (AMENDMENT), BILL 2025**

*On the Occasion of the Presentation of the 2026 National Budget*

## **SECOND READING SPEECH**

### ***NATIONAL PETROLEUM AUTHORITY (2026 BUDGET) (AMENDMENT) 2025***

MR. SPEAKER,

THIS BILL PROPOSES AN AMENDMENT TO *NATIONAL PETROLEUM AUTHORITY ACT 2025* TO:

1. STRENGTHEN GOVERNMENT OVERSIGHT, FINANCIAL CONTROL, AND TRANSPARENCY OVER THE NATIONAL PETROLEUM AUTHORITY (NPA);
2. CREATE A STABLE AND PREDICTABLE FUNDING MECHANISM FOR THE NPA BY ASSIGNING IT A FIXED ANNUAL ALLOCATION OF UP TO K100 MILLION FROM A 0.5% LEVY APPLIED ON PETROLEUM PRODUCERS WHILE ENSURING THAT ANY EXCESS REVENUE GOES TO THE STATE'S CONSOLIDATED REVENUE ACCOUNT; AND
3. TIGHTEN CONTROL OVER HOW THE NPA MANAGES SURPLUS FUNDS BY REQUIRING THAT ALL INVESTMENTS RECEIVE EXPLICIT NATIONAL EXECUTIVE COUNCIL APPROVAL.

MR. SPEAKER, I COMMEND THE BILL.

## **EXPLANATORY MEMORANDUM**

### ***National Petroleum Authority (2026 Budget) (Amendment) 2025***

This bill proposes to:

1. strengthen government oversight, financial control, and transparency over the National Petroleum Authority (NPA);
2. create a stable and predictable funding mechanism for the NPA by assigning it a fixed annual allocation of up to K100 million from a 0.5% levy applied on petroleum producers while ensuring that any excess revenue goes to the state's consolidated revenue account; and
3. tighten control over how the NPA manages surplus funds by requiring that all investments receive explicit National Executive Council approval.



## CERTIFICATE.

I, certify that I have drafted the *National Petroleum Authority (Amendment) Bill 2025* (Draft of 24/11/2025) in accordance with the National Executive Council Decision No: 285/2025 dated 12<sup>th</sup> November, 2025, and the Drafting Instructions.

A handwritten signature in blue ink that reads "M Toliman".

**MARLEEN TOLIMAN AKOP**  
FIRST LEGISLATIVE COUNSEL.

24<sup>th</sup> November, 2025.



*National Petroleum Authority (Amendment) Bill 2025.*

**ARRANGEMENT OF CLAUSES.**

1. Repeal and replacement of Section 49.

**"49. EXPENDITURE."**

2. Repeal and replacement of Section 50.

**"50. NATIONAL PETROLEUM AUTHORITY LEVY."**

3. Repeal and replacement of Section 52.

**"52. INVESTMENT AND BORROWING."**



A Bill

for

AN ACT

entitled,

***National Petroleum Authority (Amendment) Bill 2025,***

Being an Act to amend the *National Petroleum Authority Act 2025*, and for related purposes,

MADE by the National Parliament to come into operation on the 1<sup>st</sup> of January, 2026.

**1. REPEAL AND REPLACEMENT OF SECTION 49.**

The Principal Act is amended by repealing Section 49 and replacing it with the following:

**“49. EXPENDITURE.**

(1) The Authority shall, no later than five months before the end of the financial year, submit to the Departmental Head responsible for treasury matters an operating and capital budget, in a format approved by the Departmental Head responsible for treasury matters.

(2) The Authority shall attend any meetings as reasonably required by the Departmental Head responsible for treasury matters regarding its budget.

(3) The Authority’s operational and capital budget shall form part of the annual National Budget, as appropriated by the National Parliament.”.

**2. REPEAL AND REPLACEMENT OF SECTION 50.**

The Principal Act is amended by repealing Section 50 and replacing it with the following:

**“50. NATIONAL PETROLEUM AUTHORITY LEVY.**

(1) There shall be a levy at the rate of 0.5% of gross sales revenue of crude oil, gas, liquified natural gas, condensates, naphtha and liquid petroleum gas on all petroleum producers and exporters in Papua New Guinea.

(2) The amount levied shall be collected by the Commissioner General of the Internal Revenue Commission.

(3) Subject to Subsection (4), the Commissioner General of the Internal Revenue Commission, shall, on an annual basis -

(a) of the collected levy, remit K100million to the National Petroleum Authority; and

*National Petroleum Authority (Amendment)*

(b) remit all other revenue collected as a result of this levy to the Consolidated Revenue Fund.

(4) Notwithstanding Subsection (3), the levy paid by producers or exporters who benefit from a fiscal stability agreement executed prior to this Act is deemed to be income tax paid in accordance with Section 161A(3) of the *Income Tax Act 1959*.”.

**3. REPEAL AND REPLACEMENT OF SECTION 52.**

The Principal Act is amended by repealing Section 52 and replacing it with the following:

**“52. INVESTMENT AND BORROWING.**

(1) Monies of the Authority that are not immediately required and not subject to the *Non-Tax Revenue Administration Act 2022* may be invested in accordance with relevant laws.

(2) Notwithstanding Subsection (1), all investments made by the Authority must be specifically approved by the National Executive Council and be included as appropriation in the National Budget for the year in which the investment shall be made.”.



**INDEPENDENT STATE OF PAPUA NEW GUINEA**

**OFFICE OF THE STATE SOLICITOR**

**CERTIFICATE OF NECESSITY**

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

having considered the proposed **National Petroleum Authority (Amendment) Bill 2025** and having formed the opinion that the Bill is necessary for the intended purposes;

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

Dated this 12 day of November 2025.

A handwritten signature in black ink, consisting of a large, stylized 'D' and 'R' intertwined, with a long vertical line extending downwards from the 'R'.

**DANIEL ROLPAGAREA**  
State Solicitor



2026 National Budget

OTHER CERTIFIED BILLS

**FISCAL RESPONSIBILITY (AMENDMENT)  
DGET) (AMENDMENT) BILL, 2025**

**SECOND READING SPEECH**

***FISCAL RESPONSIBILITY ACT (AMENDMENT) BILL 2025***

MR SPEAKER,

THIS BILL AMENDS THE ***FISCAL RESPONSIBILITY ACT 2006*** BY PROPOSING TO:

- REDUCE THE INTERIM DEBT CEILING FROM 55% DOWN TO 52.5% AS PART OF AN ONGOING EFFORT TO RESTORE DEBT TO PRE-COVID LEVELS THROUGH OUR 13 YEAR BUDGET REPAIR PLAN

MR SPEAKER, I COMMEND THE BILL.

## **EXPLANATORY MEMORANDUM**

### ***Fiscal Responsibility Act (Amendment) Bill 2025***

This Bill amends the *Fiscal Responsibility Act 2006* to:

- Reduce the interim debt ceiling in section 4 (ca) from not being allowed to exceed 55% to not being allowed to exceed 52.5%.

The overall intent is to improve fiscal sustainability, and align with the Government's 13 year plan for budget repair.



## CERTIFICATE.

I, certify that I have drafted the *Papua New Guinea Fiscal Responsibility (Amendment) Bill 2025* (Draft of 24/11/2025) in accordance with the National Executive Council Decision No: 270/2025 dated 06<sup>th</sup> November, 2025, and the Drafting Instructions.

A handwritten signature in blue ink, appearing to read 'MToliman', is positioned above the printed name.

**MARLEEN TOLIMAN AKOP**  
FIRST LEGISLATIVE COUNSEL.

24<sup>th</sup> November, 2025.



No. of 2025

***Papua New Guinea Fiscal Responsibility (Amendment) Bill 2025.***

**ARRANGEMENT OF CLAUSE.**

Principles for the Sound Fiscal Management (Amendment of Section 4).



A BILL

for

AN ACT

entitled

***Papua New Guinea Fiscal Responsibility (Amendment) Bill 2025,***

Being an Act to amend the ***Papua New Guinea Fiscal Responsibility Act 2006,***

MADE by the National Parliament to come into operation on 1 January 2026.

**PRINCIPLES FOR THE SOUND FISCAL MANAGEMENT (AMENDMENT OF SECTION 4).**

Section 4 of the Principal Act is amended in Paragraph (ca) by repealing Subparagraph (i) and replacing it with the following new subparagraph:

- “(i) until the end of a period of five years from the commencement of this Act, to mitigate temporary fiscal imbalances, the Government may exceed the lower boundary specified in Paragraph (c), but not in excess of 52.5 per cent of Gross Domestic Product;”.



**INDEPENDENT STATE OF PAPUA NEW GUINEA**

**OFFICE OF THE STATE SOLICITOR**

## **CERTIFICATE OF NECESSITY**

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

having considered the proposed *Papua New Guinea Fiscal Responsibility (Amendment) Bill 2025*, and having formed the opinion that the Bill is necessary for the intended purposes;

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

Dated this 12<sup>th</sup> day of **November, 2025**.

A handwritten signature in black ink, consisting of several overlapping loops and a long vertical stroke extending downwards.

**DANIEL ROLPAGAREA**  
State Solicitor



2026 National Budget

OTHER CERTIFIED BILLS

**APPROPRIATION (GENERAL PUBLIC SERVICES) (AMENDMENT) BILL, 2025**

**SECOND READING SPEECH**

***APPROPRIATION (GENERAL PUBLIC SERVICES EXPENDITURE)  
(AMENDMENT) BILL 2025***

MR SPEAKER,

THIS BILL MAKES A TARGETED AMENDMENT TO THE *APPROPRIATION (GENERAL PUBLIC SERVICES EXPENDITURE 2025) ACT 2024* TO GIVE EXPLICIT PARLIAMENTARY APPROVAL FOR BUDGET SUPPORT LOANS IN 2025.

- THE LEGISLATION ENSURE PARLIAMENTARY OVERSIGHT OF ALL BUDGET SUPPORT LOANS THAT THE GOVERNMENT WILL ENTER INTO THIS YEAR.

MR SPEAKER, I COMMEND THE BILL.

## EXPLANATORY MEMORANDUM

### ***Appropriation (General Public Services Expenditure) (Amendment) Bill 2025***

This Bill amends the *Appropriation (General Public Services Expenditure 2025) Act 2024* to give specific parliamentary authority for a defined set of budget support loans that may be used to fund the 2025 Budget. Approval is strictly time-limited to the 2025 fiscal year and does not compel the State to enter any loan or bypass other legal requirements.



## CERTIFICATE.

I, certify that I have drafted the *Appropriation (General Public Services Expenditure 2025) (Amendment) Bill 2025* (Draft of 21/11/2025) in accordance with the National Executive Council Decision No: 291/2025 dated 16<sup>th</sup> November, 2025, and the Drafting Instructions.

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

**MARLEEN TOLIMAN AKOP**  
FIRST LEGISLATIVE COUNSEL.

24<sup>th</sup> November, 2025.



Draft of 21/11/2025

No. of 2025.

*Appropriation (General Public Services Expenditure 2025) (Amendment) Bill 2025.*

**ARRANGEMENT OF CLAUSES.**

New Section 15.

**“15. BUDGET SUPPORT LOANS APPROVED TO BE  
CONSIDERED, NEGOTIATED AND ENTERED INTO BY THE  
STATE.”.**

**SCHEDULE 2.**



A BILL

for

AN ACT

entitled

*Appropriation (General Public Services Expenditure 2025) (Amendment) Bill 2025,*

Being an Act to amend the *Appropriation (General Public Services Expenditure 2025) Act 2024,*

MADE by the National Parliament.

**NEW SECTION 15**

The Principal Act is amended by inserting immediately after Section 14 the following new section:

**“15. BUDGET SUPPORT LOANS APPROVED TO BE CONSIDERED, NEGOTIATED AND ENTERED INTO BY THE STATE.**

(1) The budget support loans listed in Schedule 3 are approved to be considered, negotiated and entered into by the State.

(2) The approval granted for the loans listed in Schedule 3 shall lapse at the end of the 2025 fiscal year.

(3) Loans entered into by the State under this Section may be utilised to fund the budget.

(4) The list in Schedule 3 shall not bind the State to enter into these loans, and the completion of these loans is contingent on compliance with other relevant legislation.

*Appropriation (General Public Services Expenditure 2025) (Amendment)*

**SCHEDULE 3.**

Sec. 15.

**BUDGET LOANS APPROVED TO BE CONSIDERED, NEGOTIATED AND  
ENTERED INTO BY THE STATE.**

<b>BUDGET LOAN.</b>	<b>IMPLEMENTING AGENCY.</b>
Improving Financial Access Program Policy Based Loan.	Department of Treasury.
Growth and Resilience Development Policy Financing with a Catastrophe Deferred Drawn Down Options.	Department of Treasury.
Bilateral budget support loan.	Department of Treasury.
Multi-lateral budget support loan.	Department of Treasury.



**INDEPENDENT STATE OF PAPUA NEW GUINEA**

**OFFICE OF THE STATE SOLICITOR**

**CERTIFICATE OF NECESSITY**

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

having considered the proposed **Appropriation (General Public Services Expenditure 2025) (Amendment) Bill 2025** and having formed the opinion that the Bill is necessary for the intended purposes;

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

Dated this 18 day of November 2025.



**DANIEL ROLPAGAREA**  
State Solicitor



2026 National Budget

OTHER CERTIFIED BILLS

**INTERNAL REVENUE (2026 BUDGET)**  
**(AMENDMENT), BILL 2025**

## SECOND READING SPEECH

### *INTERNAL REVENUE COMMISSION (2026 BUDGET) (AMENDMENT) BILL 2025*

MR SPEAKER,

THE BILL INTRODUCES SIGNIFICANT AMENDMENT TO THE *INTERNAL REVENUE COMMISSION ACT 2014* AIMED AT STRENGTHENING THE GOVERNANCE AND OPERATIONAL FRAMEWORK OF THE INTERNAL REVENUE COMMISSION (IRC). ESTABLISHES A FORMAL INTERNAL REVENUE COMMISSION BOARD RESPONSIBLE FOR OVERSEEING THE COMMISSION'S PERFORMANCE, SETTING STRATEGIC DIRECTIONS, APPROVING BUDGETS, AND ENSURING COMPLIANCE WITH LEGAL AND REGULATORY REQUIREMENTS. KEY COMMITTEES SUCH AS THE AUDIT AND RISK COMMITTEE, GOVERNANCE COMMITTEE, AND BUDGET COMMITTEE ARE CREATED. THE APPOINTMENT, TENURE, AND REMOVAL OF THE COMMISSIONER GENERAL IS SUPPORTED BY DEFINED QUALIFICATIONS AND DISCIPLINARY PROCEDURES.

THESE REFORMS ARE DESIGNED TO ENHANCE OVERSIGHT, ACCOUNTABILITY, AND EFFICIENCY WITHIN THE IRC WHILE MEETING A KEY BENCHMARK UNDER THE IMF PROGRAM IN PAPUA NEW GUINEA. BY STRENGTHENING THE COMMISSION'S GOVERNANCE STRUCTURE, THE AMENDMENTS AIM TO IMPROVE TRANSPARENCY, PROMOTE GREATER TAX COMPLIANCE, AND SUPPORT EFFECTIVE REVENUE MOBILIZATION.

MR SPEAKER, I COMMEND THE BILL.

## EXPLANATORY MEMORANDUM

### *Internal Revenue Commission (2026 Budget) (Amendment) Bill 2025*

The Bill proposes amendments to the *Internal Revenue Commission Act 2014*, marking a pivotal shift in the governance framework of the Internal Revenue Commission. These legislative changes aim to enhance oversight, accountability, and operational efficiency by establishing a formal board structure and introducing stronger governance mechanisms.

The key features of the amendments include the creation of the Internal Revenue Commission Board, which will oversee the Commission's performance, set strategic directions, approve its budget, and ensure compliance with the legal and regulatory framework. This governance structure introduces various committees such as the Audit and Risk Committee, Governance Committee, and Budget Committee. The amendments also provide for the appointment, tenure, and removal of the Commissioner General, with clearly defined qualifications and procedures for discipline and dismissal.

Importantly, these amendments not only strengthen domestic governance but also fulfil a key benchmark under the IMF program currently in place in Papua New Guinea. The reforms are viewed as a critical step toward ensuring that the Internal Revenue Commission is well-positioned to meet revenue targets and support broader economic objectives.

Overall, the introduction of these measures will strengthen the Internal Revenue Commission's institutional framework, enhance transparency and accountability, and enable it to play a more effective role in promoting tax compliance and improving revenue mobilization for the country.



## CERTIFICATE.

I, certify that I have drafted the *Internal Revenue Commission (Amendment) Bill 2025* (Draft of 29/10/25) in accordance with the National Executive Council Decision No: 175/2025 dated 13<sup>th</sup> August, 2025, and the Drafting Instructions.

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

**MARLEEN TOLIMAN AKOP**  
**FIRST LEGISLATIVE COUNSEL.**

29<sup>th</sup> October, 2025.



No. of 2025.

*Internal Revenue Commission (Amendment) Bill 2025.*

**ARRANGEMENT OF CLAUSES.**

1. Interpretation (Amendment of Section 2).
2. Functions and Role of the Minister (Amendment of Section 4).
3. Repeal and replacement of Section 8.  
**"8. ESTABLISHMENT OF THE BOARD."**
4. Repeal and replacement of Section 9.  
**"9. FUNCTIONS AND POWERS OF THE BOARD."**
5. Repeal and replacement of Section 10.  
**"10. MEMBERSHIP OF THE BOARD."**
6. Repeal and replacement of Section 11.  
**"11. TERM OF OFFICE FOR MEMBERS OF THE BOARD."**
7. Repeal and replacement of Section 12.  
**"12. BOARD VACANCIES."**
8. Repeal and replacement of Section 13.  
**"13. DISQUALIFICATIONS OF MEMBERS OF THE BOARD."**
9. Repeal and replacement of Section 14.  
**"14. MEETINGS OF THE BOARD."**
10. Repeal and replacement of Section 15.  
**"15. DISCLOSURE OF INTEREST."**

11. New Sections 15A, 15B, 15C, 15D, 15E, 15F.

**"15A. FEES AND ALLOWANCES OF MEMBERS OF THE BOARD."**

**"15B. INDEMNITY OF MEMBERS OF THE BOARD."**

**"15C. COMMITTEES."**

**"15D. AUDIT AND RISK COMMITTEE."**

**"15E. GOVERNANCE COMMITTEE."**

**"15F. BUDGET COMMITTEE."**

12. Commissioner General of Internal Revenue Commission (Amendment of Section 16).

13. Substantive Vacancy in the Office of the Commissioner General (Amendment of Section 17).

14. Repeal of Section 19.

15. Functions of the Commissioner General (Amendment of Section 20).

16. Annual Report (Amendment of Section 21).

17. Resignation from Office (Amendment of Section 23).

18. Repeal of Section 24.

19. Confidentiality (Amendment of Section 56).

20. New 59, 60, 61, 62 and 63.

**"59. TRAVEL APPROVAL."**

**"60. REMOVAL OF COMMISSIONER GENERAL AND COMMISSIONERS FROM OFFICE."**

**"61. NEC DECISION ON REMOVAL OF CHIEF COMMISSIONER GENERAL OR COMMISSIONER."**

**"62. SUSPENSION OF THE COMMISSIONER GENERAL AND COMMISSIONERS."**

**"63. COMMISSIONER GENERAL AND COMMISSIONER DISCIPLINARY OFFENCES."**

**"64. SAVINGS."**



A Bill  
for  
AN ACT  
entitled,

*Internal Revenue Commission (Amendment) Bill 2025,*

Being an Act to amend *Internal Revenue Commission 2014*, and for related purposes,

MADE by the National Parliament.

1. **INTERPRETATION (AMENDMENT OF SECTION 2).**

Section 2(1) of the Principal Act is amended -

- (a) by inserting immediately before the definition of "Commissioner General" the following new definition:

"Board" means the Internal Revenue Commission Board;"; and

- (b) by deleting the definition of "the Commission" in its entirety.

2. **FUNCTIONS AND ROLE OF THE MINISTER (AMENDMENT OF SECTION 4).**

Section 4 of the Principal Act is amended by inserting immediately after Subsection (2) the following new subsections:

"(3) Subject to Subsection (4), the Minister -

- (a) shall, at least 1 month prior to the commencement of a tax year, write to the Commissioner General, setting the revenue targets expected to be raised by the Internal Revenue Commission; and  
(b) may, in writing, revise the revenue targets once in the first seven months of a tax year.

(4) The Minister shall exercise his powers under Subsection (3) in line with Section 209 of the *Constitution* and other relevant laws which provide for revenue raising."

3. **REPEAL AND REPLACEMENT OF SECTION 8.**

The Principal Act is amended by repealing Section 8 and replacing it with the following:

**"8. ESTABLISHMENT OF THE BOARD.**

The Board of the Internal Revenue Commission is hereby established."

4. **REPEAL AND REPLACEMENT OF SECTION 9.**

The Principal Act is amended by repealing Section 9 and replacing it with the following:

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**“9. FUNCTIONS AND POWERS OF THE BOARD.**

- (1) Subject to this Act, the functions of the Board are -
  - (a) to oversee the governance and performance of the Internal Revenue Commission, the Commissioner General and the Commissioners; and
  - (b) to ensure that the Internal Revenue Commission, the Commissioner General and Commissioners comply with the requirements of this Act, the *Income Tax Act 2025*, and any other relevant laws as required; and
  - (c) to set the overall direction of the Internal Revenue Commission and the Commissioner General in line with overarching government policy; and
  - (d) to determine the reporting requirements of the Internal Revenue Commission, the Commissioner General and Commissioners; and
  - (e) to approve the budget and operating plans of the Internal Revenue Commission; and
  - (f) to determine the overall governance structure for the Internal Revenue Commission; and
  - (g) to make such directions relating to the general good governance of the Internal Revenue Commission and any other related matters pursuant to this Act; and
  - (h) to approve strategic plans relating to the operations and administrations of the Internal Revenue Commission; and
  - (i) to set the key performance indicators of the Commissioner General in consultation with the Minister; and
  - (j) to monitor the performance of the Internal Revenue Commission performance and compliance in the exercise of its powers and functions; and
  - (k) to perform any other function necessary to achieve the objectives of this Act.
- (2) Subject to this Act, the Board shall have such powers as are necessary to enable it to carry out its functions.
- (3) The Commissioner General and Commissioners shall be accountable to the Board for their acts and decisions.
- (4) The Board has oversight of the integrity of the accounts and financial statements of the Internal Revenue Commission, the effectiveness of the internal control system, the performance of the internal audit function, compliance with legal and regulatory functions, and the management of risks.
- (5) The Board may require the Internal Revenue Commission to produce any book or document and shall have access to any information that is necessary or relevant for the carrying out of its functions under this Act, with the exception of any information, documents or books relating to any individual taxpayer, or that could reasonably be used to identify an individual taxpayer, and any such request shall be void.
- (6) The Board shall, within one year of being first established, following consultation with the Minister, issue a Board Charter to prescribe its operations and work procedures, consistent with this Act.
- (7) The Board Chairperson shall submit every three months to the Minister a report on the proceedings of the Board, any resolutions issued, and the steps taken, if any, in consequence of the proceedings, resolutions issued and steps taken.

*Internal Revenue Commission (Amendment)*

- (8) The Board shall not except as authorised by this Act -
- (a) intervene in the determination of any tax assessment, tax collection, tax liability or tax appeal by any taxpayer or the enforcement of the revenue laws, which shall be the sole responsibility of the Commissioner General, as mandated under the revenue laws, and exercised through the Internal Revenue Commission; or
  - (b) interfere with the supervision or direction of the Commissioner General in the exercise of his functions and powers, including the day to day management of the Internal Revenue Commission and enforcement of the revenue laws; or
  - (c) interfere with the supervision, appointment or direction of the staff of the Internal Revenue Commission or in the exercise of their functions and powers including the day-to-day management of the Internal Revenue Commission and the enforcement of the revenue laws.”.

**5. REPEAL AND REPLACEMENT OF SECTION 10.**

The Principal Act is amended by repealing Section 10 and replacing it with the following:

**“10. MEMBERSHIP OF THE BOARD.**

- (1) The Board consists of the following members:
- (a) the departmental Head of the department responsible for treasury matters, or his nominee, *ex-officio*; and
  - (b) the departmental Head of the department responsible for finance matters, or his, *ex-officio*; and
  - (c) the Governor of the Central Bank, or his nominee, *ex-officio*; and
  - (d) the Commissioner General, *ex-officio*;
  - (e) two non *ex-officio* members -
    - (i) one of whom shall be an experienced members of the business sector; and
    - (ii) one who shall be a recognised tax administration expert and a non-resident, who shall be appointed in accordance with the *Regulatory Statutory Authorities (Appointment to Certain Offices) Act 2004*; and
  - (f) the Board Chairperson.
- (2) The Board Chairperson who shall be an experienced member of the business sector and who shall be appointed in accordance with the *Regulatory Statutory Authorities (Appointment to Certain Offices) Act 2004*.
- (3) The Board shall appoint a Deputy Chairperson from amongst its members.
- (4) The Board Chairperson and Deputy Chairperson shall be appointed for a term not exceeding five years, and shall be eligible for reappointment.
- (5) With respect to the persons appointed under Subsections (1)(e) and 1(f) the person must be -
- (a) of good moral standing; and
  - (b) at least one must be a woman; and
  - (c) a recognised professional with appropriate qualifications, skills and experience as required for the role.

## *Internal Revenue Commission (Amendment)*

(6) The Minister must have regard to the possibility of, or any conflict of interest between the interests of the Internal Revenue Commission and any interests that a person has or represents when recommending an appointment.

(7) The Internal Revenue Commission and Commissioner General shall provide secretariate support to the Board.

(8) The Board may, at the sole discretion of the Chairman, meet without the Commissioner General being present.”.

### **6. REPEAL AND REPLACEMENT OF SECTION 11.**

The Principal Act is amended by repealing Section 11 and replacing it with the following:

#### **“11. TERMS OF OFFICE MEMBERS OF THE BOARD.**

(1) Subject to Subsection 2, non *ex-officio* members of the Board shall hold office for a term not exceeding three years.

(2) When making the first appointment of members under Section 10(1)(e), the Head of State shall appoint -

- (a) one member for a term of one year; and
- (b) one member for a term of two years; and
- (c) one member for a term of three years.

(3) A member other than an *ex officio* member may at any time resign from office by notice in writing to the Minister.

(4) A member other than an *ex officio* member may be re-appointed to the Board no more than once, except for a member who was appointed under Subsection 2(a) and (b) who may be reappointed twice.”.

### **7. REPEAL AND REPLACEMENT OF SECTION 12.**

The Principal Act is amended by repealing Section 12 and replacing it with the following new section:

#### **“12. BOARD VACANCIES.**

(1) Where a member of the Board dies, resigns, or is removed from office, or his term expires, that office shall become vacant and the Head of State, acting on advice, shall appoint a new member in accordance with the requirements in Section 10.

- (2) A member shall be deemed to have resigned from office where that Member -
- (a) is prohibited by Section 13 from holding office as a member; or
  - (b) fails, without the Board’s consent, to attend three consecutive meetings of the Board.”.

### **8. REPEAL AND REPLACEMENT OF SECTION 13.**

The Principal Act is amended by repealing Section 13 and replacing it with the following new section:

#### **“13. DISQUALIFICATIONS OF MEMBERS OF THE BOARD.**

(1) A person shall not be appointed, or re-appointed, as a non *ex officio* member of the Board, or hold that office, if that person -

- (a) is a member of Parliament; or

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- (b) is a public office holder; or
- (c) is an insolvent who has not obtained a final order of discharge, or whose order of discharge has been suspended for a term not yet expired, or is subject to a condition not yet fulfilled; or
- (d) has been convicted of any offence punishable by imprisonment; or
- (e) who would be prohibited from being a director or member or promoter of, or in any way, whether directly or indirectly, taking part in the management of, a company under any law of the Independent State of Papua New Guinea; or
- (f) who is currently working or advising on taxation matters for clients; or
- (g) is or becomes a person whose affairs are administered under any law relating to mental health.

(2) A non-*ex officio* member of the Board shall be deemed to have resigned from office where that person is prohibited from continuing to hold office under this section and the Minister shall, as soon as possible after the occurrence of such an event, write to the Board Chairperson stating that the individual is no longer a Board member.

- (3) Where, in the reasonable opinion of the Minister, a non-*ex officio* member -
- (a) is incapable of performing his duties; or
  - (b) is guilty of conduct prejudicial to the performance of the duties of his office; or
  - (c) has voted on a matter in which they had an interest,

the Minister shall, by written notice, advise the member of the Board that he intends to recommend to the National Executive Council to terminate the member of the Board and the reason for the termination.

(4) Within 14 days of the receipt of a notice under Subsection (4), the member may reply in writing to the Minister.

(5) If the Minister receives a response in writing, the Minister shall consider the response.

(6) Following the completion of the process under this section, the Minister may, where appropriate recommend to the National Executive Council the removal of the member of the Board.

(7) Based on a recommendation under Subsection (6), the Head of State, acting on advice, may remove the member of the Board.”.

**9. REPEAL AND REPEALCMENT OF SECTION 14.**

The Principal Act is amended by repealing Section 14 and replacing it with the following new section:

**“14. MEETINGS OF THE BOARD.**

(1) The Board shall meet as often as the business of the Internal Revenue Commission requires at such times and places as the Board determines, but in any event, not less frequently than once every three months.

(2) At a meeting of the Board, the Chairperson, or in their absence, the Deputy Chairperson shall preside.

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(3) At meetings of the Board, five members of the Board constitute a quorum, one of which must be the Chairperson or Deputy Chairperson.

(4) Decisions of the Board shall be made by a majority of the votes of the members present and voting.

(5) The member presiding has a deliberative vote and in the case of an equality of votes has a casting vote.

(6) The Board shall cause minutes of its meetings to be kept.

(7) Subject to this Act, the Board may determine its own procedures, including rules on virtual participation.”.

**10. REPEAL AND REPLACEMENT OF SECTION 15.**

The Principal Act is amended by repealing Section 15 and replacing it with the following new section:

**“15. DISCLOSURE OF INTEREST.**

(1) A member of the Board, who has a direct or indirect interest in a matter that is being considered or that is proposed to be considered, by the Board, shall disclose the nature of his interest at the first meeting of the Board at which he is present after the relevant facts have come to his knowledge.

(2) The disclosure shall be recorded in the minutes of the Board, and after the disclosure the member -

- (a) shall not be present during any deliberation or decision of the Board with respect to the matter; and
- (b) shall not take part in any deliberation or decision of the Board with respect to the matter; and
- (c) shall be disregarded for the purpose of constituting a quorum for any such deliberation or decision.

**11. NEW SECTIONS 15A, 15B, 15C, 15D, 15E AND 15F.**

The Principal Act is amended by inserting immediately after Section 15 the following new sections:

**“15A. FEES AND ALLOWANCES OF MEMBERS OF THE BOARD.**

The fees and allowances of the members of the Board shall be determined in accordance with the *Boards (Fees and Allowances) Act* (Chapter 299).

**“15B. INDEMNITY OF MEMBERS OF THE BOARD.**

A member of the Board shall not be liable for any actions, suits, proceedings, claims or demands in any jurisdiction arising out of any act, matter or thing done or omission, by that member in good faith and without negligence for the purpose of carrying out or giving effect to this Act.”.

**“15C. COMMITTEES.**

(1) The Board may, from time to time, appoint committees of one or more members and may delegate any of its functions and powers, except this power of delegation, to such committees.

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- (2) The Board may from time to time -
  - (a) discharge, alter, or reconstitute a committee; or
  - (b) discharge a member of a committee and appoint another member in that member's place.
- (2) Subject to any direction given by the Board, the functions and powers delegated to a committee may be performed or exercised with the same effect as if they had been conferred by this Act and not by delegation.
- (3) A committee purporting to act under delegation shall, in the absence of proof of the contrary, be presumed to be acting in accordance with the delegation.
- (4) Each committee -
  - (a) shall have a membership of at least three, and quorum of more than half of its members; and
  - (b) shall meet at least four times a year; and
  - (c) decisions shall be made on the basis of consensus, with disagreements to be recorded and submitted to the Board to consider; and
  - (d) shall have a chair appointed by the Board from amongst members of the Board; and
  - (e) shall, with the exception of the Budget Committee, include at least two *ex-officio* members; and
  - (f) at least one member who is an IRC employee shall sit on each committee, appointed by the Board.
- (4) Subject to this Act and to any directions given by the Board, a committee may regulate its own procedure.”.

**“15D. AUDIT AND RISK COMMITTEE.**

- (1) The Board shall establish an Audit and Risk Committee.
- (2) The Audit and Risk Committee shall, among other duties -
  - (a) assist the Board to oversee -
    - (i) the integrity of the accounts and financial statements of the Internal Revenue Commission; and
    - (ii) the effectiveness of the internal control system of the Internal Revenue Commission; and
    - (iii) the performance of the internal audit function of the Internal Revenue Commission; and
    - (iv) the compliance by the Internal Revenue Commission with legal and regulatory requirements; and
    - (v) the review and management of risks; and
  - (b) appoint the auditor and review the audited accounts.
- (3) The functions of the Audit and Risk Committee shall be limited to the accounts and financial statements pertaining to the funds of the Internal Revenue Commission under Section 33.

**“15E. GOVERNANCE COMMITTEE.**

- (1) The Board shall establish a Governance Committee.

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- (2) The Governance Committee shall, among other duties -
- (a) to assist the Board to review and finalise the annual report; and
  - (b) to assist the Board -
    - (i) to review and approve Internal Revenue Commission corporate strategies; and
    - (ii) to review Internal Revenue Commission performance against benchmarks; and
    - (iii) to review performance and assist with the appointment of the Commissioner General and Commissioners; and
    - (iv) to oversee the promotion of and compliance with ethical and respectful behaviour among the Internal Revenue Commission staff and the provision of safeguards to whistle-blowers.”.

**“15F. BUDGET COMMITTEE.**

(1) The Board shall establish a Budget Committee.

(2) The Budget Committee shall, among other duties, assist the Board to review the budget developed by the Internal Revenue Commission and operating plan of the Internal Revenue Commission, prior to submission to the Department responsible for Treasury matters.

(3) The Departmental Head of the department responsible for treasury matters or the Deputy Departmental Head for revenue matters of the department responsible for treasury matters shall not be eligible to serve as members of the Budget Committee.”.

**12. COMMISSIONER GENERAL OF INTERNAL REVENUE COMMISSION  
(AMENDMENT OF SECTION 16).**

Section 16 of the Principal Act is amended -

(a) in Subsection (1) by repealing Paragraph (c) and replacing it with the following new paragraph:

“(c) be eligible for reappointment once for a maximum of two terms and, in total, no more than 10 years; and”;

(b) by repealing Subsection (3).

**13. SUBSTANTIVE VACANCY IN THE OFFICE OF THE COMMISSIONER GENERAL  
(AMENDMENT OF SECTION 17).**

Section 17 of the Principal Act is amended -

(a) by repealing Subsection (3) and replacing it with the following new subsections:

“(3) Where an acting appointment for the role of the Commissioner General has not been made in accordance with this section, the Board may make a temporary acting appointment whilst the substantive acting appointment is made.

(4) The Acting Commissioner General will have all the statutory authorities and responsibilities and perform all the powers and functions of the Commissioner General, whilst acting.”.

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**14. REPEAL OF SECTION 19.**

The Principal Act is amended by repealing Section 19.

**15. FUNCTIONS OF THE COMMISSIONER GENERAL (AMENDMENT OF SECTION 20).**

Section 20 of the Principal Act is amended in Subsection (2) -

- (a) in Paragraph (c) by inserting immediately after the word "Minister" the following:

"and the Board"; and

- (b) in Paragraph (d) by inserting immediately after the word "Minister" the following:

"and the Board"; and

- (c) in Paragraph (e) by deleting the word "may" and replacing it with "shall"; and

- (d) by inserting immediately after Paragraph (f) the following new paragraph:

“(g) to report, subject to the secrecy provisions in the revenue laws, on the operations of the Internal Revenue Commission to such Audit Committees as established under the *Public Finances (Management) Act 1995*.”.

**16. ANNUAL REPORT (AMENDMENT OF SECTION 21).**

Section 21 of the Principal Act is amended by inserting immediately after the word "Minister" the following:

"and the Board".

**17. RESIGNATION FROM OFFICE (AMENDMENT OF SECTION 23).**

Section 23 of the Principal Act is amended by inserting immediately after the words "at any time" the following:

"with the written approval of the NEC".

**18. REPEAL OF SECTION 24.**

The Principal Act is amended by repealing Section 24.

**19. CONFIDENTIALITY (AMENDMENT OF SECTION 56).**

Section 56 of the Principal Act is amended by inserting immediately before the words "Commissioner General" the following:

"the Board".

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**20. NEW SECTIONS 59, 61, 62, 63 AND 64.**

The Principal Act is amended by inserting immediately after Section 58, the following new sections:

**“59. TRAVEL APPROVAL.**

(1) The Chairperson, the Deputy Chairperson and all Board members shall, in writing, request the approval of the Minister for any work related domestic and international travel.

(2) The Commissioner General shall, in writing, request the approval of the Minister for any work related domestic and international travel.

(3) The Commissioners shall, in writing, request the approval of the Minister for any work related domestic and international travel.

(4) The Minister shall consider any request for work related travel received in writing, for travel approval under Subsection 4(4) and approve such requests at the Minister's discretion.”

**60. REMOVAL OF COMMISSIONER GENERAL AND COMMISSIONERS FROM OFFICE.**

(1) The Commissioner General and Commissioners may be removed from office only by the Head of State, acting on advice, in accordance with this section.

(2) The Head of State shall, acting on advice, remove the Commissioner General or Commissioner from office 21 days the National Executive Council has determined that the Commissioner General or Commissioner should be removed from office in accordance with the process under in Subsections (3), (4), (5) and (6).

(3) Where, the Board believes that grounds exist for the dismissal of the Commissioner General or a Commissioner, it shall cause an investigation into the conduct, activities or performance of the Commissioner General or Commissioner.

(4) Where, in the reasonable opinion of the Board, the Commissioner General or Commissioner is guilty of conduct prejudicial to the performance of his duties under this Act, or commits a disciplinary offence as prescribed, the Board may make a recommendation, which shall contain full reasons for the recommendation, to the Minister that the Commissioner General or Commissioner be removed from office.

(5) The Minister shall, upon receiving the recommendation and reasons of the Board under Subsection (4) -

(a) provide the Board's recommendation and reasons to the National Executive Council; and

(b) advise the Commissioner General or Commissioner that the Commissioner General or Commissioner may by a particular date (such date being not less than 21 days from the date the Commissioner General or Commissioner is advised of the Board's recommendation and reasons) submit reasons to the National Executive Council why the Commissioner General or Commissioner should not be removed from office; and

(c) provide the Commissioner General or Commissioner with full copies of the Board's recommendation and the reasons for the recommendation.

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(6) The National Executive Council shall, on the earlier of the date it receives the Commissioner General's or Commissioner's submission or the date provided for such Submission -

- (a) consider the reasons for the Board's recommendation and the Chief Commissioner's or Commissioner's submission, if any; and
- (b) advise the Commissioner General or Commissioner that the Commissioner General or Commissioner may by a particular date (such date being not less than 21 days from the date the Commissioner General or Commissioner is advised of the Board's recommendation and reasons) submit to the National Executive Council why the Commissioner General or Commissioner should not be removed from office; and
- (c) provide the Commissioner General or Commissioner with full copies of the Board's recommendation and the reasons for the recommendation.

**61. NATIONAL EXECUTIVE DECISION ON REMOVAL OF CHIEF COMMISSIONER GENERAL OR COMMISSIONER.**

(1) Where, in the reasonable opinion of National Executive Council, the Commissioner General or Commissioner is not guilty of conduct prejudicial to the performance of his duties under this Act, or has not committed a disciplinary offence as specified in under Section 17C, the Commissioner General or Commissioner shall not be removed from office.

(2) Where, in the reasonable opinion of the National Executive Council, the Commissioner General or Commissioner is guilty of conduct prejudicial to the performance of his duties under this Act or has committed a disciplinary offence, the National Executive Council shall -

- (a) give the Commissioner General or Commissioner a written notice of its decision as soon as possible; and
- (b) not earlier than 21 days, or where, within such 21 days, a decision of the National Executive Council is reviewed or appealed under Subsection (3), until a decision is handed down, advise the Head of State to remove the Commissioner General or Commissioner from office.

(3) A decision by the Board or the National Executive Council is a decision that may be fully reviewed (including on its merits) by any competent court.

(4) The Head of State shall terminate the Commissioner General or a Commissioner, acting with or in accordance with the recommendation of an independent tribunal established under the *Organic Law on the Duties and Responsibilities of Leadership*.

**62. SUSPENSION OF COMMISSIONER GENERAL AND COMMISSIONERS.**

(1) The Board shall suspend the Commissioner General or a Commissioner without pay, if the Commissioner General or Commissioner is charged with a criminal offence, the penalty for which is any term of imprisonment, until the matter is resolved by a Court or the charges are dropped.

(2) Where a Board is to carry out an investigation into the conduct, activities or performance of the Commissioner General or a Commissioner under Section 60 and is in receipt of material information from credible sources that the conduct of the Commissioner General or a Commissioner is such that serious charges of misconduct may be brought against the Commissioner General or a Commissioner, it shall determine whether grounds exist for the suspension of the Commissioner General or a Commissioner during the period of the investigation.

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(3) The grounds for the suspension of the Commissioner General or a Commissioner shall be consistent with the grounds for dismissal or suspension as prescribed and contained in the Commissioner General or a Commissioner contract of employment and under this Act.

(4) Where the Board determines that grounds exist for the suspension of the Commissioner General or a Commissioner, the Board shall advise the Minister responsible for treasury matters to recommend to the National Executive Council the suspension of the Commissioner General or a Commissioner on full pay for the duration of the Investigation.

(5) Where the National Executive Council approves the recommendation of the Minister for the suspension of the Chief Commissioner General or the Commissioners, it shall advise the Head of State to suspend the Chief Commissioner General or the Commissioners.

(6) The Board may, while awaiting a decision of the National Executive Council and Head of State under Subsections (4) and (5), suspend the Commissioner General or a Commissioner for a maximum of three months.

(7) The Board shall suspend the Commissioner General or a Commissioner with full pay where a matter relating to the individual has been referred to a tribunal under Section 27 of the *Organic Law on the Duties and Responsibilities of Leadership*.

#### **63. COMMISSIONER GENERAL AND COMMISSIONER DISCIPLINARY OFFENCES.**

In addition to the disciplinary offences of the Commissioner General and Commissioners in their contracts of employment, the following disciplinary offences shall be included in their contracts of employment:

- (a) commits a breach of this Act; and
- (b) divulges, directly or indirectly, any confidential information concerning public business or any matters of which he has official knowledge, except as authorised in the course of official duty; and
- (c) publicly comments on an administrative action, the administration of a department, or tax policy, except with the consent of the Minister responsible for treasury matters; and
- (d) wilfully disobeys or disregards a lawful order made or given by a person having authority to make or give it; and
- (e) uses intoxicating liquors to excess or illicit drugs; and
- (f) solicits or accepts a fee, reward, gratuity or gift (other than his official remuneration) in connection with the discharge of his official duties; and
- (g) is guilty of disgraceful or improper conduct in his official capacity or otherwise; and
- (h) having taken an oath or made an affirmation in the prescribed form, does or says anything in violation of it; and
- (i) seeks the influence or interest of any person in order to gain promotion, transfer or other advantage; and
- (j) supplies to another officer, for use for any purpose referred to in Paragraph (i) a certificate or testimonial relating to official capacity or the performance of official duties.

*Internal Revenue Commission (Amendment)*

**64. SAVINGS.**

(1) Nothing in this Act affects the validity of any act or decision done or made by the Internal Revenue Commission or Commission, and shall be taken to be valid and effectual and to have continuing effect despite anything in this Act.

(2) All appointments, contracts, agreements, arrangements, conveyances, deeds, leases, licenses and other instruments executed by or under the Internal Revenue Commission or Commission, are on the coming into operation of this Act, binding on and enforceable against the Internal Revenue Commission.

(3) Where by or under an Act or other law (other than this Act) any document or instrument wherever made or executed, contains a reference, express or implied, to the Internal Revenue Commission or Commission, that reference shall, on the coming into operation of this Act, except where the context otherwise requires, be read and construed and have effect as a reference to the Internal Revenue Commission."



INDEPENDENT STATE OF PAPUA NEW GUINEA

OFFICE OF THE STATE SOLICITOR

## **CERTIFICATE OF NECESSITY**

I, **DANIEL ROLPAGAREA**, State Solicitor of the Independent State of Papua New Guinea; having considered the proposed **INTERNAL REVENUE COMMISSION (AMENDMENT) BILL 2025** and having formed the opinion that the Bill is necessary for the intended purposes; hereby grant this Certificate pursuant to my powers under Section 13B of the *Attorney General Act 1989*.

Dated this 07<sup>th</sup> day of August 2025.

A handwritten signature in blue ink, appearing to read "Daniel Rolpagarea".

For: **DANIEL ROLPAGAREA**  
State Solicitor



2026 National Budget

OTHER CERTIFIED BILLS

**CENTRAL BANK (2026 BUDGET)**  
**(AMENDMENT), BILL 2026**

*On the Occasion of the Presentation of the 2026 National Budget*

## **SECOND READING SPEECH**

### ***CENTRAL BANKING ACT (AMENDMENT) BILL 2025***

MR SPEAKER,

THIS BILL AMENDS THE ***CENTRAL BANKING ACT 2000*** BY PROPOSING TO:

- ENSURE THAT THE CENTRAL BANK PROVIDES TREASURY AND FINANCE WITH DATA ON WEEKLY CLOSING BALANCES OF ALL GOVERNMENT ACCOUNTS AND A WEEKLY STATEMENT OF THE OPERATIONS OF THOSE ACCOUNTS, TO ENSURE BETTER CASH FLOW PLANNING.
- CHANGE THE CALCULATION OF INTEREST ON GOVERNMENT ADVANCES, WHICH MUST NOW BE CALCULATED ONLY ON THE NET CASH POSITION, REQUIRING ALL GOVERNMENT ACCOUNTS (INCLUDING TRUST ACCOUNTS AND THE WAIGANI PUBLIC ACCOUNT) TO BE RECONCILED AND OFFSET BEFORE INTEREST IS CHARGED. THIS WILL ENSURE THE GOVERNMENT IS ONLY CHARGED INTEREST COSTS WHEN IT IS CREATING A FINANCIAL BURDEN FOR THE CENTRAL BANK.

MR SPEAKER, I COMMEND THE BILL.

## **EXPLANATORY MEMORANDUM**

### ***Central Banking Act (Amendment) Bill 2025***

This Bill amends the Central Banking Act 2000 to:

- Require the Central Bank to provide Treasury and Finance with weekly closing balances for all Government accounts, together with a weekly statement of the operations of those accounts, to support improved transparency and cash-flow management across Government.
- Amend the method for calculating interest on Government advances so that interest is applied only to the net cash position, requiring all Government accounts to be treated as one and offset before any interest is charged to Government. This ensures that interest costs are only incurred where the Government is genuinely placing a financial burden on the Central Bank.

The overall intent is to strengthen cash management and ensure that interest charged to Government accurately reflects its true net financing position.

1.



## CERTIFICATE.

I, certify that I have drafted the *Central Banking (Amendment) Bill 2025* (Draft of 21/11/2025) in accordance with the National Executive Council Decision No: 284/2025 dated 12<sup>th</sup> November, 2025, and the Drafting Instructions.

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

MARLEEN TOLIMAN AKOP  
FIRST LEGISLATIVE COUNSEL.

24<sup>th</sup> November, 2025.

Draft of 21/11/2025



No. of 2025.

*Central Banking (Amendment) Bill 2025*

**ARRANGEMENT OF CLAUSES.**

1. Liaison between the Central Bank and the Minister responsible for treasury matters (Amendment of Section 14A).
2. Advances to the Government (Amendment of Section 55).



A BILL

for

AN ACT

entitled

***Central Banking (Amendment) Bill 2025,***

Being an Act to amend the *Central Banking Act 2000,*

MADE by the National Parliament.

**1. LIASION BETWEEN THE CENTRAL BANK AND THE MINISTER  
RESPONSIBLE FOR TREASURY MATTERS (AMENDMENT OF  
SECTION 14A).**

Section 14A of the Principal Act is amended by inserting immediately after Subsection (4) the following new subsection:

“(5) The Governor of the Central Bank shall, every week by Monday 5pm, provide to the Departmental Head responsible for treasury matters, the Departmental Head responsible for finance, and the Minister responsible for treasury matters -

- (a) the individual closing balances of all Government accounts held at the Central Bank as at the end of each week; and
- (b) a weekly statement of operations of all government accounts for that week.”.

**2. ADVANCES TO THE GOVERNMENT (AMENDMENT OF SECTION 55).**

Section 55 of the Principal Act is amended -

- (a) in Subsection (1) by inserting after the words “The Central Bank may” the following:

“subject to Subsection (2A),”; and

- (b) by inserting immediately after Subsection 2 the following new subsection:

“(2A) For the purposes of calculating interest under subsection (2), interest shall only be applied on the net usage, all Government account balances held at the Central Bank, including but not limited to all accounts making up the Waigani Public Account and all Government trust accounts shall be reconciled and netted off prior to the calculation of interest, ensuring that available Government account balances held by the Central Bank are fully taken into account when determining interest payable by the Government.”.



INDEPENDENT STATE OF PAPUA NEW GUINEA

OFFICE OF THE STATE SOLICITOR

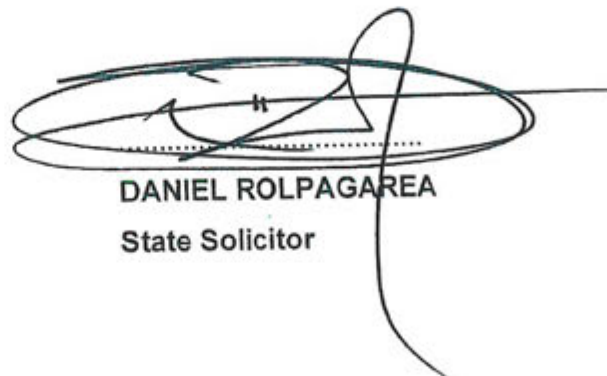
## CERTIFICATE OF NECESSITY

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

having considered the proposed *Central Banking (Amendment) Bill 2025*, and having formed the opinion that the Bill is necessary for the intended purposes;

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

Dated this 12<sup>th</sup> day of November, 2025.



**DANIEL ROLPAGAREA**  
State Solicitor