

PAPUA NEW

No. 19 of 2023.

Appropriation (General Public Services Expenditure 2024) Act 2023.

Certified on : 16 JAN 2024



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Appropriation (General Public Services Expenditure 2024) Act 2023.

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SCHEDULE.



No. 19 of 2023.

AN ACT

entitled

Appropriation (General Public Services Expenditure 2024) Act 2023,

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 financial year ending 31 December 2024,

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 financial year ending 31 December 2024, the debt amortisation as deemed appropriated under Section 4 and the sum of K26,754,575,312.00, 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 financial year ending 31 December 2024, the sum of K16,123,175,312.00, consisting of -

Operational Expenditure	K16,123,175,312.00
Personnel Emoluments	K6,712,771,617.00
Goods and Services	K4,824,003,695.00
Functional Grants	K638,000,000.00
Debt (Interest Repayment)	K3,050,800,000.00
GST & BMT Transfers	K897,600,000.00

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 2024, the sum of K10,631,400,000.00, consisting of -

Capital Expenditure	K10,631,400,000.00
Direct Government Funding	K7,212,600,000.00
Concessional Loans	K1,213,800,000.00
Donor Grants	K2,205,000,000.00

4. DEBT AMORTISATION DEEMED APPROPRIATION.

The total amount of Debt Amortisation 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 amortisation for the financial year ending 31 December 2024 this amount.

5. APPROPRIATION.

(1) Sums granted by this Act out of the Consolidated Revenue Fund for the financial year ending 31 December 2024 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 2024 Budget publication shall be considered relevant documents.

(3) Where additional donor grants are received in the financial year ending 31 December 2024, the additional donor grants 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 2024, 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 2024 fiscal year.

(6) Where an amount is warranted but not spent against in the 2024 fiscal year, appropriations may not be issued from the Consolidated Revenue Fund and will lapse.

6. ADJUSTMENT OF APPROPRIATIONS BETWEEN ACTIVITIES.

(1) Subject to Subsections (2), (3), (4) and (5), the Minister 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 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.

(3) The total amount of reallocated appropriation authorised under this section shall not exceed K2,472,717,809.00.

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

(5) The Minister responsible for treasury shall not, under this section, transfer from operational expenditure to capital expenditure.

7. ADJUSTMENT OF APPROPRIATIONS FOR IDENTIFIED MATTERS.

- (1) The Minister responsible for treasury matters may direct the reallocation of the following funding:
- (a) subject to Subsections (2), (3) and (4) Transfers out of Division 207 - Treasury and Finance Miscellaneous; and
 - (b) Government Tuition Fee Subsidy (GTFS) to Division 207 for the purpose of execution of the Government Tuition Fee Subsidy.
- (2) 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 - Treasury and Finance Miscellaneous, for any activity under operational and capital expenditure; and
 - (b) 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) 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.
- (6) 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.

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 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 2024 Budget publication and funded by a concessional loan.

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 identified in Volume 2A, 2B, 2C and 2D of the 2024 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

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- (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.

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.
- (2) 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 2024 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 2024 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 K457,620,000.00; and
 - (d) the Minister responsible for treasury matters shall not delegate the authority to reallocate unexpended appropriations held under Division 299.

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
 - (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 one month of a request by the Auditor-General.

14. PROJECT LOAN APPROVED TO BE NEGOTIATED AND ENTERED INTO BY THE STATE.

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

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(2) The approval provided for under Subsection (1) for the loans listed in the Schedule lapses at the end of the 2024 fiscal year.

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

SCHEDULE.

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

Project	Implementing Agency
PNG Electrification Project	PNG Power Ltd
National Energy Access	PNG Power Ltd & National Energy Authority
Trans National Highway	Department of Works & Highways
Sustainable Highlands Regional Road Network	Department of Works & Highways
Urban Water Supply	Water PNG
Kimbe Hospital	National Department of Health
Gerehu Hospital	National Department of Health
Tari Hospital	National Department of Health
Mendi Hospital	National Department of Health
Central Hospital	National Department of Health

I hereby certify that the above is a fair print of the *Appropriation (General Public Services Expenditure 2024) Act 2023* which has been made by the National Parliament.

Clerk of the National Parliament.
16 JAN 2024

I hereby certify that the *Appropriation (General Public Services Expenditure 2024) Act 2023* was made by the National Parliament on 1 December 2023.

Acting Speaker of the National Parliament.
16 JAN 2024