

National Economic & Fiscal Commission

PROVINCIAL REVENUES 2013-2015

REVIEW OF PROVINCIAL GOVERNMENT REVENUES 2013-2015

for the provision of basic service delivery

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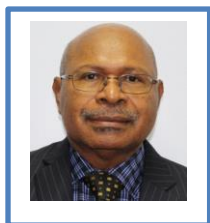
DISCLAIMER

The Revenue Report is a product of the staff of the National Economic and Fiscal Commission (NEFC) with external contributions.

The findings, interpretations and conclusions expressed in this work are based on data obtained from various other sources including provinces and National Agencies.

Whilst the NEFC makes every effort to ensure that data sources are valid and reliable, the NEFC request users to exercise caution including further validation when solely relying on the data, information and analysis included in this report.

FOREWORD



The National Economic and Fiscal Commission (NEFC) continues to be at the forefront providing quantitative analysis into the expenditures and revenues of Provincial Governments. The primary aim is to improve transparency and to contribute to decision making for strengthening service delivery to all Papua New Guineans. Many of you will already be familiar with the NEFC's annual Provincial Expenditure Review Report (PER).

The NEFC also releases a consolidated provincial Revenue Report every five years; the last publication was released for the period 2008-2012. However, given that an objective of the O'Neill-Abel Government under the Alotau Accord 2 is about improving and diversifying our revenue base to be able to sustain service delivery to our people, I felt compelled that it would be appropriate and timely to reduce the five year reporting cycle, to a three year trend cycle.

The prime intention of the Provincial Revenue Report is to inform Government and stakeholders on the trends in internal revenue generated by provinces and to assist the National and Sub-National Governments with their strategic decision making processes.

This Provincial Revenue Report (2013-2015) provides analysis and comments on various revenue sources including trends for the period. The analyses in this report also intend to assist Provincial Governments to better understand revenue trends and to improve their revenue projection for budgeting purposes.

Obviously the more realistic provincial budgets are, the greater the opportunity for delivering quality and timely services. The revenue analysis also facilitates comparisons and ways in which Provincial Governments could raise, collect and report on their revenues. The systematic collection of such information also has many other benefits.

Of note, and in comparison to fiscal analysis in previous years, between 2013 and 2015, it was evident that almost all provinces had sufficient revenues to be able to fund basic services to their respective communities. Chapter 2 in this report compares in detail both internal revenues and grants available to provinces with the NEFC Cost of Services Estimate (CoS). The analysis indicates that on average all Provinces now have a 125% fiscal capacity to be able to provide basic services to their respective communities.

Through Reforms on Intergovernmental financing arrangement (RIGFA), provinces which usually have lower internal revenues are now being allocated higher grants by the national government than those that usually generates much higher internal revenues. The method, in which these National Grants are calculated and distributed, provides a fiscal balance between provinces annually. This allows provinces to have equal fiscal capacity and resources to be able to provide equal services in all sectors within.

Realistically, provincial governments also continue to experience constraints in generating and collecting revenues. The report reveals that most provincial governments struggled to collect all their internal revenues as projected in their budget appropriation in a fiscal year.

Furthermore, grant releases from the national government are becoming more inconsistent, and pose a challenge for provinces to keep the service delivery units operational and infrastructures and assets routinely maintained.

The ability of provinces to efficiently generate more revenues is hindered by the complex legal arrangements underpinning local sales and services taxes and own source collections.

One such restriction is that provinces who implemented sales and services taxes, although permitted under the Organic Law on Provincial and Local Level Governments and would risk forfeiture of their share of GST as was in the case of West New Britain and Milne Bay Provinces.

Nevertheless it is pleasing to note that the National Government is considering options for provinces to be more autonomous in the long-run. The Alotau Accord 2 commits for more devolution of powers (legal, administrative and financial powers) for provinces provided that there is capacity in place.

This 2013-2015 Revenue Report seeks to provide a more reliable basis for informed public policy and planning. The report focuses on the core fundamental objectives, which are, to improve access to service delivery consistent with the development objectives including the aspirational objectives of Vision 2050.

To support these objectives, provinces have to ascertain the balance between driving economic growth in provinces and funding the service delivery needs of the broader community. Provincial Governments are encouraged to be proactive in improving and optimizing revenue growth to sustain their ability to meet the service delivery needs of their communities.

This report therefore aims to promote greater understanding of provincial revenues, specifically, the NEFC examines:

- The types of revenues which each Provincial Government collects;
- Why do some Provincial Governments collect more revenues than others; and.
- Provincial revenue trends over a three year time.

The NEFC hopes that this report provides Provincial Governments and stakeholders with the information on how they can further improve their revenue collection and to commit more resources to improving service delivery. This includes practical tips on how Provincial Governments can better manage revenue budgets including strengthening the collections, projections and reporting of revenues.

On behalf of the Commission, I hope that this publication will be of benefit to readers and decision makers and I welcome any observations or suggestions which may assist the Commission in improving the usefulness of this publication.

Hohora Suve

Chairman and CEO

National Economic and Fiscal Commission

31 January 2018

EXECUTIVE SUMMARY

In 2009, the National Economic & Fiscal Commission (NEFC) commenced the reforms into a new system of intergovernmental financing (RIGFA) for recurrent goods and services grants (function grants) to provincial governments.

As part of the reforms, provincial government revenues were taken into account and assessed annually against the Cost of Services Estimate for each province. This measures each province's ability or capacity to meet its required service delivery obligation. The national grants (recurrent goods & services grants) are then calculated and allocated based on each province's fiscal capacity, with much of the grants allocated to those provinces that have lower revenues.

Overall RIGFA provides provinces with a 'needs based' equalised system of allocating grants to meet the recurrent or operational cost of provincial responsibilities, staffing, development and maintenance needs. The current phase however predominantly focuses on financing the recurrent responsibilities.

This revenue report sets out detailed data on provincial revenue collections from 2013-2015 and provides analysis on trends overtime and between provinces, with the primary aim of assisting provincial governments to benchmark, improve and optimize their revenue generation.

The analysis provided in this report should assist Provincial Governments to better understand revenue trends and to improve their revenue projections for budgeting purposes. The more realistic budgets are, the greater the opportunity for providing basic service delivery. The analysis also facilitates comparisons and ways in which Provincial Governments can raise and collect revenue. Systematic collection of such information improves analysis for decision making.

This report covers the various sources of revenues received by Provincial Governments which are available to meet the cost of goods and services. These revenues are broadly categorised as follows:

- Revenues from national government grants (Excludes Personnel Emoluments and Development Grants);
- Shared revenues of Goods and Services Tax (GST);
- Bookmakers Turnover Tax;
- Own-source revenue or revenue generated from the province's own activities; and
- Benefits derived from natural resources or royalties and dividends earned by provinces with mining and petroleum activities or projects.

This Revenue Report focuses specifically on Provincial Government revenues. It does not examine Local-level (LLG) revenues, although the NEFC clearly recognises that LLGs are part of the new intergovernmental financing system. At this stage, there is limited quantitative analysis in the absence of data of the different revenues available to each LLG. NEFC aims to further contribute to future LLG revenue policy development and analysis particularly as government has expressed its clear intention to improve service delivery at the front-line by channelling large funds to lower levels of government.

Within the period of 2013 to 2015, there have been significant changes to Provincial Government revenues. The general impact of the construction phase of the liquefied natural gas (LNG) project have heightened revenues for the National Government and accordingly the National Government was able to allocate higher grants to sub-national levels.

The changes in revenue were apparent also from the revenue data obtained from individual provinces. These changes include a massive decline in revenues of Western province due to the temporary closure of the Ok Tedi mine in 2015 attributed to the dry weather experienced at that time.

This revenue report also reveals that the provinces of Jiwaka and Hela continue to face difficulties in establishing reliable internal revenue bases. Also observed throughout the report, there continues to be little or no information available on internal revenues generated by these two provinces. As a result these provinces have been solely relying upon national grants to provide services to their population.

Based on the revenue trends, it was considered to be more beneficial to readers to include information and data in the lead up years of 2010-2012 and these have been used to where appropriate within the body of this report. (I.e. data from 2010 to 2015) to portray a six (6) year trend in total)

The following summarises the contents of the report and provides an overview into the findings of the study.

Total Annual Provincial Government Revenues

The Summary of Provincial Government revenues (Kina millions) included Table 1 below shows that the total Provincial Government revenues increased from K968million (2013) to approximately K1,228 million (2015) at an average annual increase rate of approximately 11%.

Table 1: Summary of Provincial Government revenues (Kina millions)

	2010	2011	2012	2013	2014	2015	In 2015 Kina Value		
							Average 2013-2015	Average Annual Increases	Provincial Trend
National Government Goods and Services Grants (a)	184.1	227.3	281.7	367.4	438.6	491.7	455.5	14%	
All Provincial Governments excluding ABG	164.2	205.8	261.2	343.5	416.4	465.8	430.1	15%	
ABG Goods & Services Grants	20.0	21.6	20.5	24.0	22.3	25.9	25.4	3%	
GST Revenues	235.5	265.7	273.6	355.5	444.2	504.9	457.4	17%	
All Provincial Governments excluding NCD	86.5	109.9	124.0	153.0	202.5	230.7	205.4	17%	
NCD GST	149.0	155.8	149.6	202.5	241.6	274.2	252.0	16%	
Bookmakers Revenues	5.7	6.9	9.2	8.8	9.5	8.8	9.6	-6%	
All Provincial Governments excluding NCD	2.6	2.8	3.3	3.3	3.4	4.1	3.8	2%	
NCD Bookmakers	3.1	4.1	5.9	5.6	6.1	4.7	5.8	-11%	
Mining & Petroleum Royalties & Dividends	149.8	117.2	132.3	120.1	104.3	71.3	105.3	-22%	
Own Source Revenues	88.8	72.8	83.3	118.1	130.3	148.3	139.4	16%	
All Provincial Governments excluding NCD	58.9	54.4	64.4	79.2	102.4	116.8	104.5	16%	
NCD Own Source Revenues	30.0	18.4	18.9	38.9	27.9	31.5	34.8	24%	
TOTAL	666.4	694.5	777.5	967.6	1124.2	1227.5	1,167.0	11%	
% Change		4%	12%	24%	16%	9%			

Collectively, revenues from GST distributions remain the most significant revenue source. This is followed by national goods and services grants, royalties and dividends from mining and petroleum projects, and own-source revenues.

- **GST Revenues** comprises of about 40.2%, the largest of the total share of revenues to Provincial Governments. On average, GST have increased at a rate of 17% annually (from K356 million in 2013 to K505 million in 2015).
- **National Goods and Services grants** consist of 39% of the total share of revenues available to Provincial Governments also increasing at an average of 14% (from K367 million to K492 million).
- **Own-Source Revenues** makes up about 11.9% of total share of revenues. Own Source revenues over the years have increased by 16% on average (from K118 million to K 148 million).

- **Royalties and dividends** from mining and petroleum projects had significantly reduced at an average rate of 22% from 2013 to 2015. These was a major source of revenues for several provinces over the years, however have dropped to only about 9% of total share revenues to Provincial Governments.
- **Bookmakers Revenues** remained at approximately K9.6 million on average (1% of total Revenues), being the least of total revenue share. Bookmakers have slightly reduced at an average rate of 6% from 2013 to 2015.

Despite the upward trends in GST receipts and Own Sources Revenues, the reduction in Royalties and Dividends including Bookmakers tax revenues has impacted the provinces which largely depend on these revenue bases. The National Grants have provided a safety net for these provinces enabling them to be in a fiscal position to continue providing services to their population. Western Province is a good example where function grants increased significantly to compensate for the fall in mining revenues following the temporary closure of the mines.

This report also provides analysis into areas that impact provincial revenue raising capacity. The ability of provinces to raise revenue is crucial for fiscal sustainability to ensure that provinces have adequate revenues available at any time to deliver of basic services.

Aside from the difficulties and challenges such as the usual late function grant releases, low collections from budget estimates etc. generally, proper planning, in terms of revenue generation, budgeting and prioritizing of expenditure by provincial governments, all contribute to sustaining and improving service delivery.

The NEFC anticipates that this report is an evidence-based document intended to further contribute to PNG's on-going development.

Summary of Observations and Recommendations

The provincial revenue analysis consolidates two distinct periods (2010-2012) and (2013-2015) under the RIGFA implementation periods. A number of observations were noted during the review. A summary of these are as follows:

- Total provincial grants and revenues have progressively increased on an average of 11% each year despite a huge fall in mining & petroleum royalties and dividends and reduction in bookmakers tax revenues;
- Overall internal revenues generated by provinces are still inadequate, only a few provinces are able to generate sufficient internal revenues to meet service delivery. National grants continue to supplement provinces internal revenues to an average fiscal capacity of 125%. Theoretically, an ideal scenario under Intergovernmental Financing Arrangement is when the revenues of each provincial government (excluding grant from National Government) is sufficient to finance the expenditure functions and responsibilities of a province.
- Actual internal revenues collections to provincial budget estimates were very low. The report identified that provincial government on average have only collected 63% of their revenue estimates over the years;
- Between 2013-2015 Morobe and Western (excluding NCD) have experienced large fluctuations in their actual revenue collection compared to other provinces. Volatility in actual collections makes it difficult when projecting revenues for planning purposes;
- The overall trends in own source revenue generation has been deteriorating and provinces are becoming increasingly reliant on the national grants; however the perennial late grant releases have continued to hinder the timely delivery of services in provinces;

- In measuring the degree fiscal decentralization in PNG, further reviews may be needed, both on the revenue side as well as the expenditure side. The National Grants (Fiscal Transfers) has significantly supported Provincial Government budget revenues. This, however, should not discourage provincial governments from seeking more sustainable revenue from their own resources. Nonetheless, care should be taken in order to prevent excessive charges by provincial governments since it may discourage investment and growth of businesses in the provinces.
- The report further suggests that provincial governments need to be involved in sustainable revenue raising and also be supported by Central government through permitting more powers for provincial governments to generate adequate revenues for example, through licensing and taxation, to be more self-sufficient.
- In comparison to revenue inflows into provinces, internal revenue inflows appear consistent compared to National Grant releases; and
- The report has also identified that collection and reporting of all provincial revenues need to be strengthened, ensuring that revenues from all sources are accurately disclosed and timely reported upon. Further, the lag and accuracy in reporting of revenues generated from provincial business arms and mining, royalties and dividends can be improved.

The NEFC envisages that this report provides Provincial Governments with information on how they can further improve on their revenue collection and to commit more resources to improving service delivery, including providing practical tips on how Provincial Governments can better manage revenue budgets, collection, forecasting and reporting of revenues.

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LIST OF ABBREVIATIONS

Abbreviation	Meaning
ABG	Autonomous Bougainville Government
BTT	Bookmakers Turnover Tax
COS	Cost of Services Study
DPE	Department of Petroleum & Energy
DoF	Department of Finance
DoT	Department of Treasury
DSG	District Support Grant
EITI	Extractive Industries Transparency Initiative
GoPNG	Government of Papua New Guinea
GST	Goods and Services Tax
IRC	Internal Revenue Commission
K	Kina
LLG	Local-level Government
MOA	Memorandum of Agreement
MRA	Mineral Resources Authority
MRDC	Mineral Resources Development Corporation
NEFC	National Economic and Fiscal Commission
NCD	National Capital District
PGAS	PNG Government Accounting System
PIP	Public Infrastructure Project
PER	Provincial Expenditure Review
RIGFA	Reform of Intergovernmental Financing Arrangements
SSG	Special Support Grant

1.0 Introduction

This Provincial Revenue Report is the third study published by the NEFC since the new system of intergovernmental financing arrangements commenced in 2009.

RIGFA introduced a 'needs based' equalised system of determining grants to meet the cost of goods and services, staffing costs and development needs. The current phase of the intergovernmental reforms primarily focused on grants provided for recurrent goods and services. Provinces now have access to national grants and their internal revenues to meet their funding needs in order to meet the operations and service delivery responsibilities.

It is the aim of this report that the analysis and data will enable provinces to gain a better understanding of provincial revenues and trends. It should also assist Provincial Governments to better plan, budget, collect and improve revenue outcomes.

1.1 Scope of the Study

This study is limited to revenues that are available to **Provincial Governments** for use **on recurrent goods and services**. It does not include grants for development or capital expenditures such as PSIP:

Revenues assessed as part of this report includes:

- goods and services grants from the National Government;
- share of Goods and Services Tax (GST);
- Bookmakers Turnover tax; and
- Own-source revenue (revenues generated from their own activities).

The above are sources of funds available for recurrent operations, for example, petrol as a cost of transport enables agricultural extension services, drug distribution and health patrols; the power that enables vaccinations and drugs to be kept at the correct temperatures, the classroom lights to work and the tools that enable road maintenance to be carried out.

In addition to these primary sources, Provincial Governments which benefit from natural resources activities within their provincial boundaries, also receive royalties and dividends.

This study does not take into account revenues received for other purposes such as:

- **Staffing and leave fare grants** for public servants and teachers from the National Government;
- **Development grants** paid from the National Government such as for Public Infrastructure Projects (PIPs), Provincial Services Improvement Programs (PSIPs), Special Support Grants (SSGs) for mining and petroleum projects, and District Support Grants (DSGs). However, a brief comparison among good and services, provincial staffing and development grants is made to support the review of revenues from National Grants in Chapter 4.0.
- **Grants from Development Partners (Donor Agencies)**, which are available to help Provincial Governments. Whilst these revenues assist Provincial Governments to meet their costs of service delivery (provided either in cash or in kind), it is difficult for these revenues to be captured within provincial budgets nor reported by Provincial Governments. In the interest of fairness and to ensure meaningful comparisons, NEFC has not yet undertaken a comprehensive survey of these revenues. Therefore, these have been excluded from this report.

This report also does not include revenues received by Local-Level Governments (LLGs) as the NEFC has not been in a position to conduct a systematic survey of LLG revenues.

1.2 Using Cost of Services estimates to measure revenues

The NEFC measures whether a province has sufficient revenues by comparing revenues against Cost of Services Estimate. In 2005, the NEFC spearheaded the Cost of Services Study, which surveyed the cost of providing services within all districts. These estimates provide a benchmark to assess revenues available to provinces to meet their recurrent and operational needs, and are updated every five years. The latest Cost of Services Study was carried out in 2015.

1.3 Sources of Revenue Data

The NEFC gathers revenue data from a number of sources. Every effort has been made to obtain data from the most reliable and consistent information source. This includes:

National Goods and Services grants: The National Government provides Provincial Governments with a range of goods and services grants each year to support a variety of core activities. This information is sourced from data on actual grants paid, reported in the National Budget Papers.

GST Revenues: Provincial Governments receive a GST distribution paid through the Internal Revenue Commission (IRC). This data is sourced from the IRC.

Bookmakers Tax Distributions: Provincial Governments that have Bookmakers operating in their provinces receive Bookmakers Turnover Tax paid through Internal Revenue Commission (IRC). The Data is also sourced from IRC

Own-source revenue: Provincial Governments raise and collect revenue from a variety of activities including licenses, fees, taxes and commercial activities. This data is obtained from the PNG Government Accounting System (PGAS) "internal revenue" electronic summary files held by the Department of Finance (DoF). For 2004-2012, this data was available for 19 provinces. In addition, data for the National Capital District (NCD) was sourced directly from the NCD.

Mining and Petroleum Royalties: Provincial Governments with mining and petroleum activities within their provincial boundaries may be entitled to royalties as a result of Memorandum of Agreement (MOA) between the Provincial Government, customary land owners, the mining company and other stakeholders. In the case of petroleum projects negotiated after 1988, Provincial Governments' shares are provided under the provisions of legislation. This data has been sourced direct from mining and petroleum companies and from Government agencies including the (Mineral Resources Authority (MRA) for mining projects, Department of Petroleum and Energy (DPE) for petroleum projects) and the Mineral Resources Development Company Limited (MRDC).

Mining and Petroleum Dividends: Provincial Governments with mining and petroleum activities within their provincial boundaries may also be entitled to receive dividends through MOA's between the Provincial Government, customary land owners, the mining company and other stakeholders. This data is sourced from the Mineral Resources Authority (MRA), Mineral Resources Development Corporation (MRDC) and direct from relevant mining and petroleum companies (where available).

1.4 Structure of Revenue Study

The primary focus of this report is on comparisons between individual Provincial Governments in terms of the various sources of revenue that they receive.

Chapter 2 provides a background into the report and the purpose of doing the revenue study.

Chapter 3 analyses or examines how adequate total revenues are in terms of fiscal capacity, actual collection against budget estimates including timeliness of revenue collection.

Chapter 4 offers some recommendations into revenue management in terms of improving revenue collection, budgeting and revenue projection.

Chapters 5, 6, 7 and 8 provide a chapter-by-chapter summary of the differences in collections between each of the four main categories of Provincial or Government revenues.

- **Chapter 5** provides an overview of the total collections and variations between the Provincial Governments.
- **Chapter 6** analyses the GST revenues received by Provincial Governments through the IRC.
- **Chapter 7** analyses the Bookmakers revenues received by several Provincial Governments also through the IRC.
- **Chapter 8** analyses the mining and petroleum royalties and dividends paid to a number of Provincial Governments.
- **Chapter 9** analyses the own-source revenues collected by Provincial Governments.

Appendix A provides a summary of revenue data tables for each Province:

1.5 Acknowledgements

The NEFC would like to acknowledge the Provincial Administrations for their assistance during the study process. We also acknowledge the agencies that partnered with us on this review by providing data. These include the Department of Finance, the Department of Treasury, the Internal Revenue Commission, the Mineral Resources Authority, the Mineral Resources Development Company LTD, Ok Tedi Limited, Barrick (Niugini) Limited, New Crest Mining Limited (Lihir Operations), Oil Search Limited, and Tolukuma Gold Mines Limited.

2.0 Background

Papua New Guinea is one of the few countries in the world that is rich in natural resources, that has a large biodiversity and an environment that is relatively intact. Despite the abundance of natural resources, PNG as a developing economy finds it challenging to translate these into substantial revenues to meet the service delivery needs of its population.

Similar to other countries, PNG have to make decisions on how to structure its revenue systems in order to deliver the much needed basic and tangible services. PNG has a form of government that has multiple layers of administration. With each layer of administration there are allocated powers and decisions assigned to each level i.e. National, Provincial and Local-Level.

However, over the years, reviews and developments into taxation measures as well as policies on generating revenues were mostly focused at the macro level. Likewise, the focus were also on introducing and establishing large scale projects for the country's benefit such as the Liquefied Natural Gas and Oil project to generate economic benefits for the country as a whole.

In no contrary to these developments, as such progresses will also impact subnational levels, more effort is also needed to assist sub-national levels of government to improve and optimize their locally, own sourced revenues.

This revenue report sets out detailed data on provincial revenue collections from 2013-2015 and provides analysis on trends overtime and between provinces with the aim of providing practical tips on how Provincial Governments can better manage revenue budgets, collection, projection and reporting.

2.1 Fiscal Decentralization

Fiscal decentralization refers to transferring of powers and responsibilities from national government to sub-national levels. Theoretically, fiscal decentralization is concerned with government levels attaining economic efficiency, equality and economic stability.

In November 2001, the National Executive Council (NEC) instructed the NEFC to undertake a review into the intergovernmental financing system and recommend changes to improve the financial arrangements to subnational levels under fiscal decentralization. The NEFC reported back with findings and proposed for an integrated system that has seen the reforms into the intergovernmental financing Arrangements (RIGFA) commenced in 2009.

Under fiscal decentralization, two key considerations that also form the essential component of RIGFA are; **Expenditure Responsibility**: - which level of government (e.g. Provincial Government) will undertake what activities and functions? ; and **Revenue Responsibility**: - which level of government will impose what taxes, fees and charges?

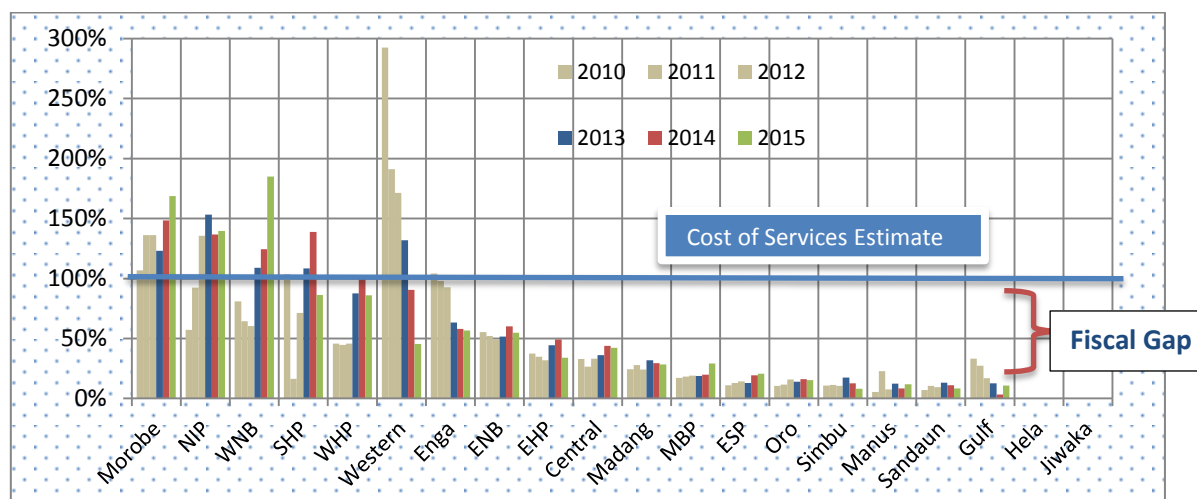
This report is intended to provide an overview into the second component highlighting how much revenue provincial governments were able to actually collect over the years.

2.2 Fiscal Gap

In nearly every country with a decentralised system of government), the internal revenues available to provinces are insufficient to meet their expenditure responsibilities. Fiscal Gap refers to the difference between the internal revenues and the cost of services estimate of the expenditure responsibilities.

Figure 1 below shows each provinces (excluding NCD and ABG) internal revenues (column bars) from 2010 to 2015 expressed as a percentage to the Cost of Services estimate (blue line).

Figure 1: Fiscal Gap between Provinces Available Revenues and Cost of Services Estimate



As indicated in the diagram above, a fiscal gap still exists for most provinces. The internal revenues alone (excluding grants) are still insufficient for provinces to provide services to their communities. Therefore the National government continues to transfer grants to assist these provinces to meet their expenditure responsibilities.

Fiscal Gaps usually provides a picture of the extent of inequity or imbalance between provinces once costs and expenditure responsibilities are taken into account. The concept of fiscal gap is relevant for financial relationships and funding arrangements between National Government and provincial governments.

2.3 Reforms to Intergovernmental Financing (RIGFA)

In July 2008 the National Parliament passed the amendments to the *Organic Law on Provincial and Local-level Governments* and also introduced the *Intergovernmental Relations (Functions and Funding) Act 2009*. The NEFC in administering these legislations, were able to establish the process of “**vertical equalization**” or the process of adjusting resources flowing into National Government to Provincial Government and even Local-level Governments.

That was a key feature of this process, where there was a larger revenue sharing arrangement between National, Provincial and Local-level, which is based on a percentage of resources available to National Government.

In addition, through RIGFA, the NEFC were able to understand the relative trends and prospects of revenue positions of each province. Since different provinces experienced economic imbalances, it became necessary for the NEFC to maintain equity (horizontal equity) by strategically distributing grants amongst provincial governments based on each province’s fiscal need.

This system has changed the way in which grants are distributed between provinces through ensuring that the national grants complement the provinces’ available revenues after establishing how much it costs to deliver services to each province and LLG.

3.0 Revenue Analysis

FISCAL CAPACITY, FISCAL IMBALANCE, ACTUAL COLLECTION, TIMELINESS AND VOLATILITY

The revenue study identified a number of issues including areas which were beyond the scope of this report. These issues will be pursued separately.

In an attempt to gain an insight into provincial revenues and how provinces have performed in terms of collection, budgeting and projection, NEFC attempted to answer the following questions:

- Are provinces receiving sufficient revenues to be able to provide service delivery?
- Are provinces actually receiving the revenues that they estimated in their budgets?
- Are provinces timely collecting revenues to be able to timely provide services?
- Are provinces experiencing volatility in terms of actual collection of revenues each year?
- Is information made available and accessible to provinces to enable them to accurately project revenues for budgeting?

These questions will also provide us with a better insight into how provincial administrations are able to effectively execute their functions including improving their capacity to;

- Raise their own-source revenues to supplement national grants provided by the National Government; and
- Obtain accurate revenue information consistently to improve revenue forecasting and budgeting.

3.1 Total Provincial Revenues compared to NEFC Cost of Services Estimate (Fiscal Capacity)



As noted in the report, revenues from the various sources generally have increased by 11% in total. Some provinces have more revenues compared others; some provinces have raised their own-sources from different bases.

Given that the revenues have increased, from 2013-2015, was it sufficient to enable provinces in meet the cost delivering services to its population?

Fiscal Capacity measures the ability (available revenues) of a province to meet the costs of delivering services. It is expressed as a percentage and is calculated by dividing estimated costs by available revenues.

Comparing Total Revenues and Grants from 2010-2015 with the Cost of Services Estimate

Table 2 Total Revenues compared to Total Cost of Services Estimate

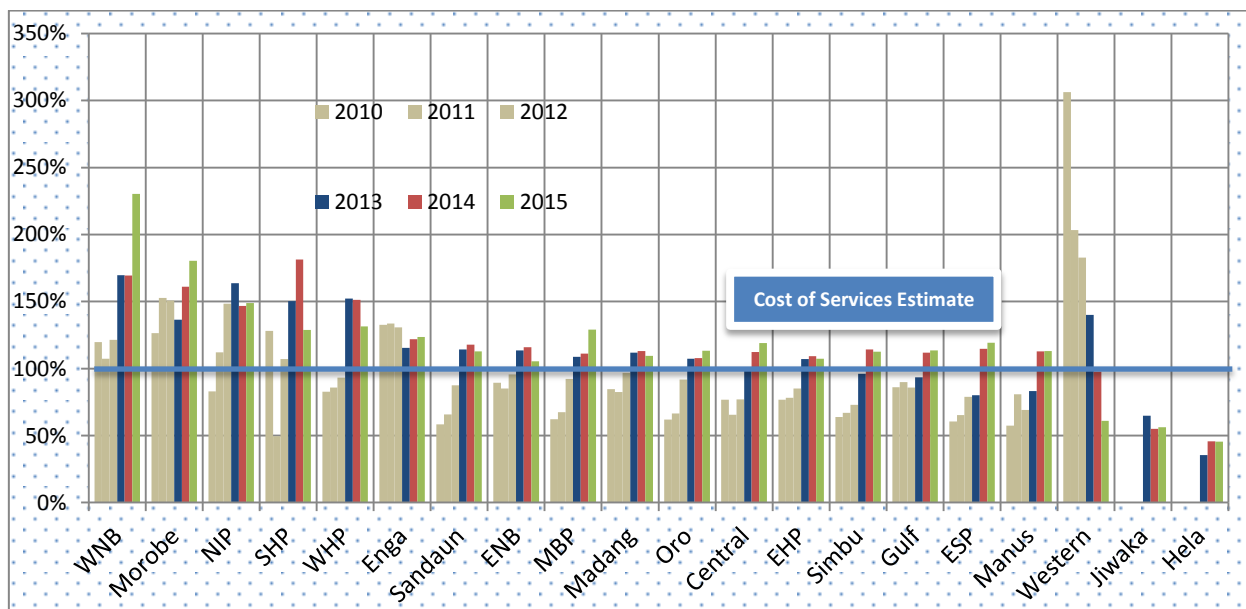
	2010	2011	2012	2013	2014	2015	In 2015 Kina Value		
							Average 2013-2015	Average Annual Increases	Provincial Trend
Total Provincial Revenues & Grants	449.16	489.26	572.13	683.03	811.92	875.47	833.58	9.5%	
Total Cost of Services Estimate	438.06	515.42	544.63	604.84	672.54	728.71	668.70	10.2%	
Total Fiscal Capacity	103%	95%	105%	113%	121%	120%	125%		

As shown above in the **table 2**, all provinces on average have a fiscal capacity of 125% between 2013 and 2015. This means that between these years, provinces had sufficient revenues and were able to deliver basic services in each province.

Total Fiscal Capacity by Province

Figure 2 below shows the total revenues available (*Grants and Internal Revenue*) to individual Provincial Governments and compares this to what the NEFC estimates as additional revenues required to meet the costs of delivering basic services.

Figure 2 Total Fiscal Capacity of Individual Provincial Governments from 2013-2015



The above figure also shows that almost all provinces have reached the 100% level of Fiscal Capacity from 2013 to 2015.

Provinces were in a better position (compared to the years of 2010-2012) having adequate revenues to meet the cost of delivering basic services within the province¹.

- WNB and Morobe had the highest fiscal capacity of 190% and 160% respectively
- Only three (3) provinces Hela, Jiwaka and Western have a fiscal capacity less than 100%.
- The study also found that fiscal capacity for Hela (42%) and Jiwaka (59%) only reflects grants they have received from the National Government. These provinces did not receive any other revenues according to the sources of information available to NEFC.
- Western (99%) previously had a much higher fiscal capacity averaging 200% (2010-2012), however that has reduced due to the falling revenues earned from Royalties and Dividends.
- All remaining provinces had on average about 119% Fiscal Capacity.

Overall our analysis in the previous chapters has shown that those provinces who were unable to generate higher revenues from GST, own-source revenues, royalties and dividends, are no longer disadvantaged as they are now in receipt of higher National Government function grants to enable them to provide basic service delivery. This has been largely attributed to RIGFA which came into effect in 2009.

¹ The Provincial Expenditure Reviews (PER) publications captures priorities through budget allocation and expenditures on the service delivery activities.

3.2 Measuring Fiscal Imbalance

Fiscal imbalance is a measure of the gap in the actual revenues (excluding National Grants) and the cost of services estimate of the expenditure functions or responsibilities of a provincial government. There are basically two types of fiscal imbalances that are measured; Vertical Fiscal Imbalance and Horizontal Fiscal Imbalance;

- Vertical Fiscal Imbalance - measures the difference between Expenditure responsibilities (CoS Estimate) and Revenues available for each provincial government; whereas;
- Horizontal Fiscal Imbalance – Considering each provincial government, some have more revenues than others. The resulting difference in the resources available to each provincial government is called the horizontal fiscal imbalance.

Chapter 2.2, Figure 1 identified that vertical imbalances (Fiscal Gap) still exist, when assessing provinces' revenues aside from the national grants provinces received. On the other hand, the increasing national grants have minimized towards closing the gap (**Figure 2**).

Theoretically, an ideal scenario under fiscal decentralization is when the revenues of each provincial government (excluding National Grants) are sufficient to finance the expenditure functions and responsibilities of a province.

PNG, similar to other countries, the assignment of expenditure responsibilities are often reassigned either from the national government to provincial governments or from the provincial government back to the national government. It is often argued under intergovernmental financing that when an expenditure responsibility (e.g. of a Sector agency – health, education) is reassigned to provincial governments, revenues (rather than entirely national grants) must accordingly be assigned so that there is no imbalance between revenues and expenditures at any level of government.

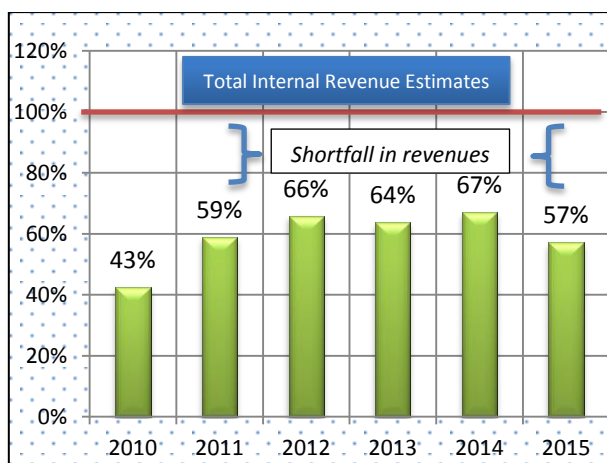
Despite the fact that National Grants (Fiscal Transfers) has significantly supported Provincial Government revenues. This, however, should not discourage provincial governments from seeking more sustainable revenue from their own resources. Nonetheless, care should be taken in order to prevent excessive charges by provincial governments since it may discourage investment and growth of businesses in the provinces.

3.3 Comparing Actual Provincial Revenues to Provincial Budget Estimates

Despite the fact that provincial revenues have increased, it is obvious that provinces do not actually collect all the revenues that they had estimated as part of their budgetary appropriations each year. This may indicate that provinces are either overestimating revenues in their annual budgets, or that provinces are genuinely collecting revenues below the budget estimates or a combination of both. This, by and large have a negative impact on service delivery.

In general, our analysis below shows that there has been an overestimation in the revenues estimated in budget appropriations to actual revenues collected. This section analyses the overestimation in Internal Revenues, Own-Source Revenues, Royalties and Dividends and GST.

The NEFC and its stakeholders DPLGA, DoT and DoF including the Auditor General's Office and IRC are keen to gain a better insight into the collection, budgeting and reporting of provincial revenues through conducting targeted reviews. This includes assessing the revenue collections, receipts and reporting by provincial business arms and mining company royalty and dividend receipts.

Figure 3; Internal Revenue Budget Estimates compared to Actual Internal Revenue Collection

The graph on the left shows as a percentage, the total Internal revenue estimates from budget appropriations compared to total internal revenues actually collected by provinces. The red horizontal line represents the budget estimates against the actual internal revenue collection illustrated by the green bars. The gap between the green bars and the red line represents shortfalls in internal revenues collection between 2010 and 2015.

On average provincial governments only collected up to 63% of their internal revenues Budget Estimates each year.

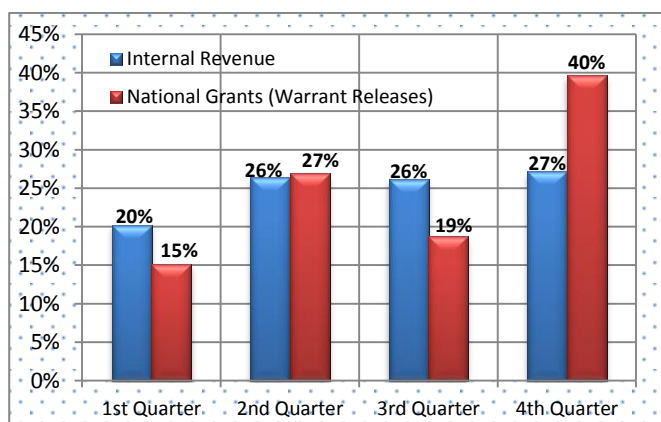
3.4 Timeliness of Revenue Inflows

The timeliness of revenue inflows to provincial government in a year is crucial to enable provinces to effectively and efficiently provide services to its population.

Revenues collected late towards the end of the year are more likely to be spent poorly or to be rolled over to the following year. This represents an opportunity lost, as we know services cannot happen without timely enabling revenue stream.

Collections in Internal Revenues and National Grant

Figure 4 below shows on average actual collections in Internal Revenue in comparison to National Grant Warrant releases between 2013 and 2015.

Figure 4: Collections of Internal Revenues compared to National Grant Warrant Releases

The subject of late grant releases over the years has been a real concern for provincial governments. The National Government has influences on the timeliness and prioritization of funding releases.

Provincial Governments on the other hand have certain control over the timeliness of its internal revenue collections.

The inconsistency over warrant and cash releases of grants continues to be an additional challenge for provinces to effectively plan, budget and execute service delivery particularly at the frontlines of service delivery.

However, as depicted, collections of internal revenues appeared more consistent than grant (warrant) releases. This is an incentive for provincial governments to improve their effort in generating and broadening their own sources. Through better management of their own cash flow generated from internal revenues as well as roll-over national grants, this may assist in terms of the timeliness of funding availability.

3.5 Difficulties in Estimating Internal Revenues

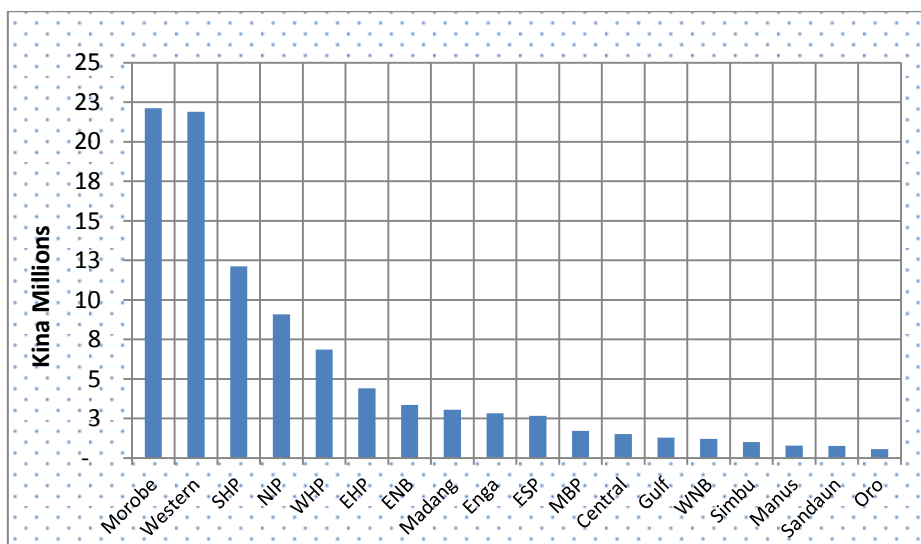
Understanding the movements or changes in provincial revenue annually is important especially when projecting or forecasting revenues during budget preparation.

Volatility or fluctuation refers to the extent to which provincial revenue inflows are stable or are changing rapidly and unpredictably.

Standard deviation here is used to measure the amount of variability or dispersion around the average. Dispersion is the difference between the actual revenue and the average revenue. The larger this dispersion or variability is, the higher the standard deviation. The smaller this dispersion or variability is, the lower the standard deviation.

Measuring Volatility in Internal Revenues

Figure 5: Volatility in Internal Revenues for Provincial Governments (Kina Millions)



As depicted in the **Figure 5** above, between 2013 and 2015, Morobe and Western experienced high volatility in internal revenues (i.e. apart from NCD which is not shown in the above chart).

The provinces of SHP, NIP, WHP and EHP had second most volatility with Oro, Sandaun and Manus having least volatility.

It is essential for provinces to understand how largely the actual amount of revenues collected vary from one year to another. That would assist provinces with developing a realistic and effective planning and budgeting processes.

4.0 Revenue Management

REVENUE COLLECTION IMPROVEMENTS, BUDGETING AND PROJECTING

As revealed in this study, provinces do not always collect all the revenues they have budgeted for within a year. Accordingly, provinces would need to improve their locally generated revenues to see that activities that are planned and budgeted for are implemented.

We note that the grants from the National Government to provinces acts a safety net, however the continuous late release of these grants to provinces affects their operational duties. Likewise most other internal revenue is shared revenue. Mining and petroleum royalties (by way of MoA's) continue to be shared on the same basis between the National Government and other levels of government. In addition, the National Government continues to share GST with Provincial Governments, based on 60% of the actual inland GST raised in the province two years preceding the current fiscal year. Provincial Governments are now also entitled to receive 100% of bookmakers tax collected in their province based on two years preceding.

Given that, Provincial Governments need to broaden their revenue base and to generate local revenues through charging of fees, taxes, fines, licences etc. is for them to focus on improving on the revenue collection and debt collection methodology.

4.1 Improving Revenue Collection

Common Administration Problems

Provincial Governments encounter administrative as well as logistical issues in raising and collecting revenues. This may include;

- The cost of collection exceeding the value of the fees/ tax collected.
- Inadequate revenue and debt collection process including poor follow up of overdue fees/taxes.
- Capacity issues in terms of manpower/skills to effectively collect and report on their collection
- Fee and rental rates that have not been reviewed for many years and may be inconsistent with market conditions

How Provincial revenue collection processes could be improved

Raising and broadening of own-source revenues must be improved by all provinces to meet the increasing demand for delivering services to the people. NEFC provides suggestions to further assist provinces as follows;

- Reviewing and assessing the potential of a source of revenue (i.e. tax/fee) and carefully determine the cost effectiveness of revenue collection;
- Conducting prompt revenue and debt collection processes including compliance, this should be complemented by proper revenue recording, record keeping processes and follow up processes;
- Ensuring that appropriate staff have the skills and all positions are promptly filled;
- Using market rates and charges that are affordable and ensuring that there are regular reviews of these charges;
- Working closely with each respective Provincial Treasury to ensure accuracy of revenue collections recorded on PGAS;
- Using correct coding and description for revenues. For example, some revenues collected may be generalized under 'Miscellaneous' or 'Sundry' categories increasing the risk of poor accountability;
- Conducting regular internal audits to provide assurance and integrity of revenue collection processes.
- Working closely with IRC to update the database on registered businesses required to pay GST. Liaison can also be made with IPA or source data from IPA online to verify registered businesses that are issued certificates of compliance.

4.2 Local revenue sources provinces can implement

The *Organic law on Provincial and Local level Government* allows provinces to raise their own taxes as revenues. Not all provinces are raising the same kind of taxes nor do they have the capacity to do so. Part of the reason lies with the complex legal arrangements underpinning local taxes and own source collections. Provided below is a list of taxes, fees and charges administered by provincial governments since 1995.

<i>Airport Service Tax</i>	<i>Driving Licenses</i>	<i>Small Crafts Registration</i>
<i>Alcoholic Beverages</i>	<i>Electrical charges</i>	<i>Heavy Vehicle Licensing</i>
<i>Bookmakers Turnover Tax</i>	<i>Entertainment Tax</i>	<i>Hotel Accommodation Tax</i>
<i>Business Licensing Tax</i>	<i>Forestry Levy</i>	<i>Housing Rentals</i>
<i>Court fees and Fines</i>	<i>Gaming Machine Proceeds</i>	<i>Land Tax</i>
<i>Developed Property Tax</i>	<i>General Sales Tax</i>	<i>Liquor Licensing Fees</i>
<i>Discipline Fines</i>	<i>Health fees</i>	<i>Market Fees</i>
<i>Mining Royalties</i>	<i>Postal Agency Fees</i>	<i>Medical Fees</i>
<i>Motor Vehicle Registration & License</i>	<i>Registration Fees Youth Women etc</i>	<i>Survey Fees</i>
<i>Penalties Heavy Vehicles</i>	<i>Rental Fees</i>	<i>Tenders Board Application Fee</i>
<i>Permits</i>	<i>Road User Fees</i>	<i>Tobacco Sales – Cigarettes</i>
<i>Petroleum Products Taxes</i>	<i>Sales & Services Tax</i>	<i>Trade Store Licenses.</i>
<i>PMV Application and License Fees</i>	<i>Sea Worthiness</i>	<i>Vehicle Hire</i>
<i>Provincial Identification Cards</i>	<i>Second Hand Dealers License</i>	<i>Vehicle Rental</i>

The question of whether these taxes, fees and charges are legally imposed is not discussed here. This report focuses on actual revenues rather than assessing their legality. In publishing this report, it also provides the opportunity for provinces to compare and learn from fellow provinces on how to improve and broaden their revenue bases.

4.3 Improving Revenue Projections for Budgeting Purposes (Realistic Estimates)

It is crucial that Provincial Governments realistically project their revenues so that the optimum benefits desired by provinces are achieved through the effective budgeting.

It is possible that not all provinces accurately report on the revenues they collect. A province may not necessarily disclose its revenue or may record revenue amounts incorrectly, or for that matter may overlook or fail to provide relevant revenue information. This is likely to contribute to difficulties in accurate revenue forecasting ultimately compromising service delivery.

If provinces overestimate their revenues, they are likely to be faced with the outcome of reducing the number of planned activities due to lack of available funds. On the other hand, if provinces underestimate their revenues, it is likely to be an opportunity lost to meet their basic service delivery obligations.

4.4 Disclosing of all Provincial Revenues

Provinces may not necessarily record all their revenues from all their revenue streams. As a result PGAS may not be updated or there is delay in recording of royalties, dividends, revenue receipts generated internally. Further management or political influence may have a bearing on the disclosure of all sources of revenues streams. The NEFC has approached the AGO in attempting to improve this reporting but this will require additional effort and resources.

Provincial Governments have also established firms operating as business entities within the province or even in other parts of Papua New Guinea. These entities or business arms pay dividends back to the provincial administration, reported as commercial receipts in PGAS. Unfortunately, some provinces do not disclose these revenues back to the provincial administration.

The NEFC as well as other agencies rely on full disclosure of all relevant provincial revenue streams in order to make informed decision on provincial grants calculations and recommendations. The NEFC is also responsible for providing accurate and objective advice to National Government. Non-disclosure of revenues by provinces is therefore considered as misinforming or misleading the government. Provincial Governments must always strive to serve its people in an ethical and honest manner and provide basic services that every Papua New Guinean is entitled to receive.

4.5 Entering revenue data accurately

In some cases, the revenues reported into PGAS may not be entered correctly. While funds may be deposited into provincial bank accounts, the accurate recording of these revenues in provincial accounts is crucial for proper revenue management including projection.

The NEFC always seeks alternative revenue data sources to further validate and substantiate the amount of revenue rather than just relying on one source.

4.6 Accessing accurate Revenue Information

Provinces may not be consistently provided with the timely accurate revenue information by its primary revenue providers. Further when this information is provided the information may often be incomplete, thus making it difficult for projection and budgeting. In these instances, a province may generally estimate, using averages as a guide or continue historic revenue estimates from previous years.

It is important that provinces should build their capacity within provincial administrations to consistently access accurate revenue information from its entire revenue streams in order to improve revenue forecasting and budgeting.

Accurate revenue forecasting by provinces is crucial for planning effective service delivery. It will also assist decision makers and planners at different levels of the government to better plan for the future activities including greater confidence with revenue collection prospects.

It is important that Provincial Governments also learn from previous inaccurate revenue projections and budget more effectively in future years. By doing so, the implications of earlier mistakes from inaccurate revenue forecasting will not be repeated and better planned service delivery will be accomplished.

5.0 Overview of Provincial Government Revenue Sources

Provincial Governments within PNG receive two major bases of revenue in general; National Government Grants and Internal Revenues.

Most provinces largely depend on national government grants. These grants usually are determined at the national level and then provided to provinces. There are also purposes and conditions attached to the different type of grants provided.

Provincial Governments also generate revenues internally. Provinces usually have control over these internal revenues. The amount of internal revenue provinces generate depends on their ability to collect, the economic base and how much they are able to broaden their revenue base as well as the rates they charged. This report, categorises internal revenues as;

- GST revenues
- Bookmakers revenues
- Royalties and Dividends from mining and petroleum projects
- Own sourced revenues

This chapter summarises in total the National Grants and the Internal Revenues Sources available to provincial governments from 2013 to 2015.

5.1 Total Revenues to Provincial Government

The Summary of Provincial Government revenues (Kina millions) included in **Table 3** below shows that the total Provincial Government revenues increased from K968million (2013) to approximately K1,228 million (2015) at an average annual increase rate of approximately 11%.

On aggregate, GST distributions remained the most significant revenue source. This is followed by national goods and services grants, royalties and dividends from mining and petroleum projects, and own-source revenues.

Table 3: Summary of Total Provincial Government revenues (Kina millions)

	2010	2011	2012	2013	2014	2015	In 2015 Kina Value		
							Average 2013-2015	Average Annual Increases	Provincial Trend
National Government Goods and Services Grants (a)	184.1	227.3	281.7	367.4	438.6	491.7	455.5	14%	
All Provincial Governments excluding ABG	164.2	205.8	261.2	343.5	416.4	465.8	430.1	15%	
ABG Goods & Services Grants	20.0	21.6	20.5	24.0	22.3	25.9	25.4	3%	
GST Revenues	235.5	265.7	273.6	355.5	444.2	504.9	457.4	17%	
All Provincial Governments excluding NCD	86.5	109.9	124.0	153.0	202.5	230.7	205.4	17%	
NCD GST	149.0	155.8	149.6	202.5	241.6	274.2	252.0	16%	
Bookmakers Revenues	5.7	6.9	9.2	8.8	9.5	8.8	9.6	-6%	
All Provincial Governments excluding NCD	2.6	2.8	3.3	3.3	3.4	4.1	3.8	2%	
NCD Bookmakers	3.1	4.1	5.9	5.6	6.1	4.7	5.8	-11%	
Mining & Petroleum Royalties & Dividends	149.8	117.2	132.3	120.1	104.3	71.3	105.3	-22%	
Own Source Revenues	88.8	72.8	83.3	118.1	130.3	148.3	139.4	16%	
All Provincial Governments excluding NCD	58.9	54.4	64.4	79.2	102.4	116.8	104.5	16%	
NCD Own Source Revenues	30.0	18.4	18.9	38.9	27.9	31.5	34.8	24%	
TOTAL	666.4	694.5	777.5	967.6	1124.2	1227.5	1,167.0	11%	
% Change		4%	12%	24%	16%	9%			

Table 3 also shows the main sources of Provincial Government revenues collected between 2010 and 2015 at varying rates. Generally there were increases in Goods and Services Grants, GST and Own Source Revenues, while Mining & Petroleum Royalties and Dividends together with Bookmakers Revenues have reduced.

GST Revenues comprises of about 40.2%, the largest of the total share of revenues to Provincial Governments. On average, GST have increased at a rate of 17% annually (from K356 million in 2013 to K505 million in 2015).

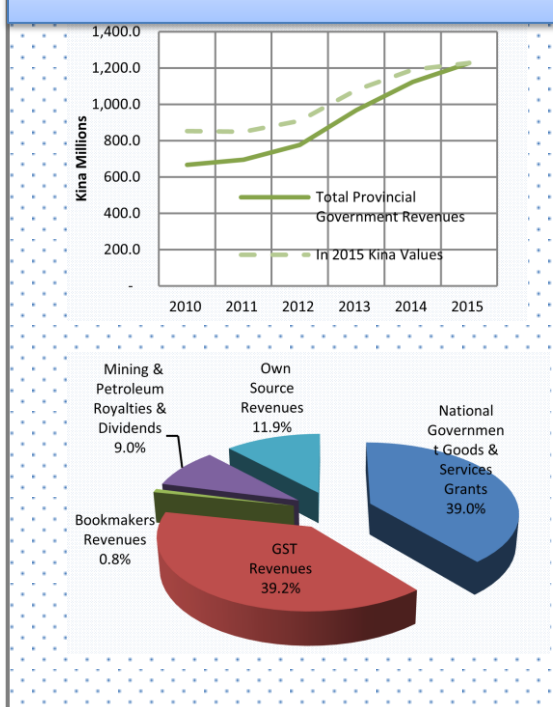
National Goods and Services grants consist of 39% of the total share of revenues available to Provincial Governments also increasing at an average of 14% (from K367 million to K492 million).

Own-Source Revenues makes up about 11.9% of total share of revenues. Own Source revenues over the years have increased by 16% on average (from K118 million to K 148 million).

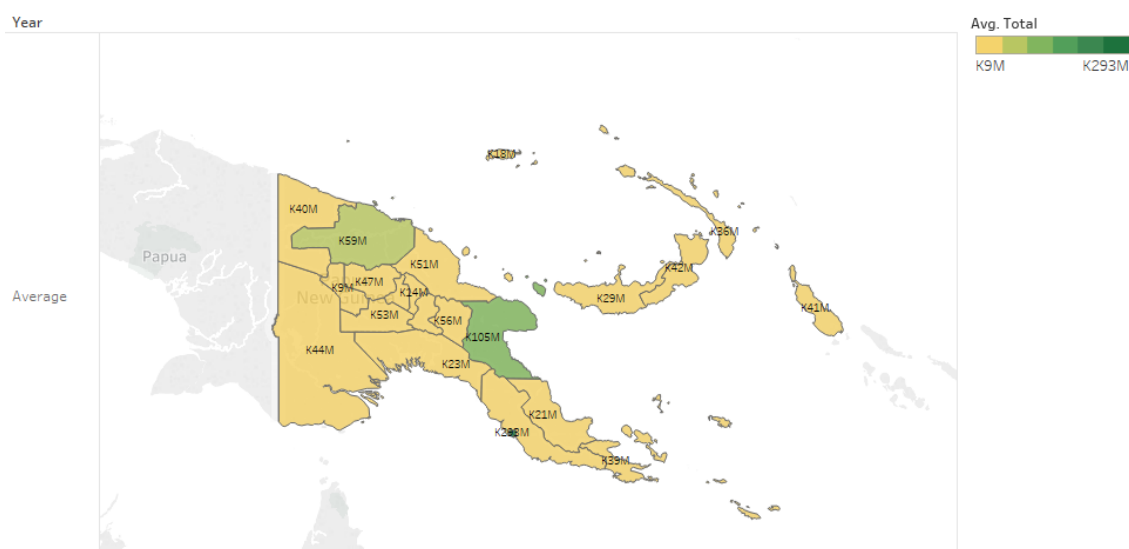
Royalties and dividends from mining and petroleum projects had significantly reduced at an average rate of 22% from 2013 to 2015. These was a major source of revenues for several provinces over the years, however have dropped to only about 9% of total share revenues to Provincial Governments.

Bookmakers Revenues remained at approximately K9.6 million on average (1% of total Revenues), being the least of total revenue share. Bookmakers have slightly reduced at an average rate of 6% from 2013 to 2015.

Figure 6: Summary of Provincial Government Revenues



<Actual Revenues Received by Provinces (Kina millions) >



5.2 Total Revenues of Individual Provincial Governments

Table 4 Annual Total Provincial Government Revenues Kina millions

	2010	2011	2012	2013	2014	2015	In 2015 Kina Value		
							Average 2013-2015	Average Annual Increases	Provincial Trend
Western	93.9	74.0	62.1	53.1	41.9	27.7	43.8	-27.0%	
Gulf	11.4	14.2	15.8	19.0	22.1	24.9	23.2	10.5%	
Central	18.3	18.7	24.2	34.4	43.6	49.0	44.5	20.6%	
NCD	182.1	178.3	174.4	246.9	275.7	310.4	292.7	15.7%	
MBP	14.4	18.9	24.7	32.6	36.4	41.1	38.7	12.8%	
Oro	7.8	10.2	13.7	17.8	18.9	22.1	20.6	11.5%	
SHP	41.8	19.5	43.2	41.3	62.2	45.9	52.6	1.3%	
Hela	0.0	0.0	0.0	6.1	9.9	10.4	9.2	26.2%	
Enga	32.3	38.3	37.5	37.3	44.4	49.4	47.0	4.3%	
WHP	25.7	31.0	37.2	37.8	45.6	49.5	46.6	4.6%	
Jiwaka	0.0	0.0	0.0	12.6	13.0	14.5	14.1	1.5%	
Simbu	12.5	15.4	19.3	28.2	35.3	38.3	35.7	20.1%	
EHP	24.3	28.7	33.9	47.0	53.1	58.1	55.6	14.2%	
Morobe	49.6	71.6	79.8	79.7	98.8	120.7	104.8	9.4%	
Madang	21.9	25.7	29.7	38.1	52.5	55.7	51.3	17.7%	
ESP	21.5	28.1	36.4	41.0	61.5	66.9	59.3	17.5%	
Sandaun	12.6	17.1	21.4	30.8	39.7	42.3	39.6	20.1%	
Manus	6.3	10.5	11.3	15.0	17.0	18.7	17.8	12.6%	
NIP	12.6	20.5	28.1	34.3	32.3	36.6	36.4	4.2%	
ENB	20.7	23.3	27.9	36.8	40.4	41.3	41.7	8.9%	
WNB	21.6	23.6	25.9	40.1	43.3	62.4	51.0	28.7%	
ABG	35.1	26.9	30.9	37.7	36.6	41.6	40.8	5.2%	
Total	666.4	694.5	777.5	967.6	1124.2	1227.5	1167.0	10.7%	
Excl ABG & NCD	449.2	489.3	572.1	683.0	811.9	875.5	833.6	9.5%	

Table 4 shows total annual revenues for each Provincial Government between 2010 and 2015. It also shows that total Provincial Government revenues are unevenly distributed between Provincial Governments. This is further depicted in Figure 8 on the right shows each Provincial Government's 2013-2015 average share of total Provincial Government revenues.

- Apart from **NCD** which receives a total share of about **25%** (K293 million) of total revenues, **Morobe** collected the **largest** share with about **9%** (K105 million) compared to all other provinces.
- **Five (5)** Provincial Governments – **ESP, EHP, SHP, Madang** and **WNB** – together collected between the range of K59 million and K51 million totalling about **23%** of the total Provincial Government revenues.
- These **five (5)** provinces together with **Morobe** and **NCD** in total collected almost **60%** to all available revenues.
- The other **15** provinces share the remaining **40%** with the very least six **(6)** provinces of **Simbu Gulf, Oro, Manus, Hela** and **Jiwaka** sharing only about **10%** of total revenues
- **NCD** and **ABG** collected on average, about **29%** of the total share of revenues.
 - NCD, which relies heavily on its GST revenues, alone collects, on average collects about K293 million each year comprising of about 25% of total revenues share.
 - ABG on the other hand, which relies on National Grants, collects about K41 million each year comprising of about 3.5% of total revenues share.

5.3 Provincial Government Revenues by Types of Sources

Whilst in total, GST and royalties and dividends are the most important revenue sources to Provincial Governments (refer), this is not the case on a province by province basis.

Figure 7: Total Provincial Government revenues (2013-2015 average)

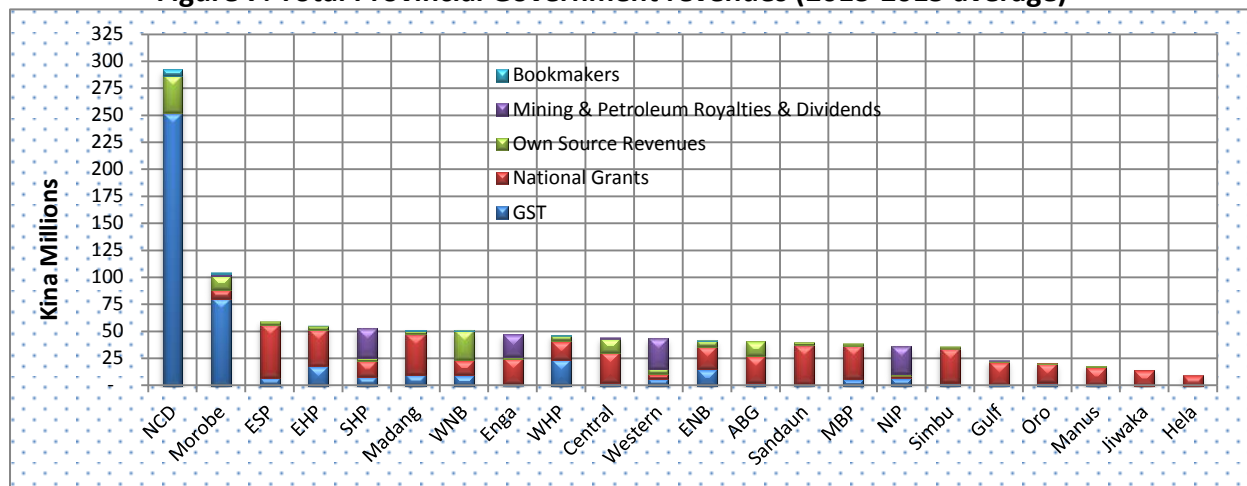
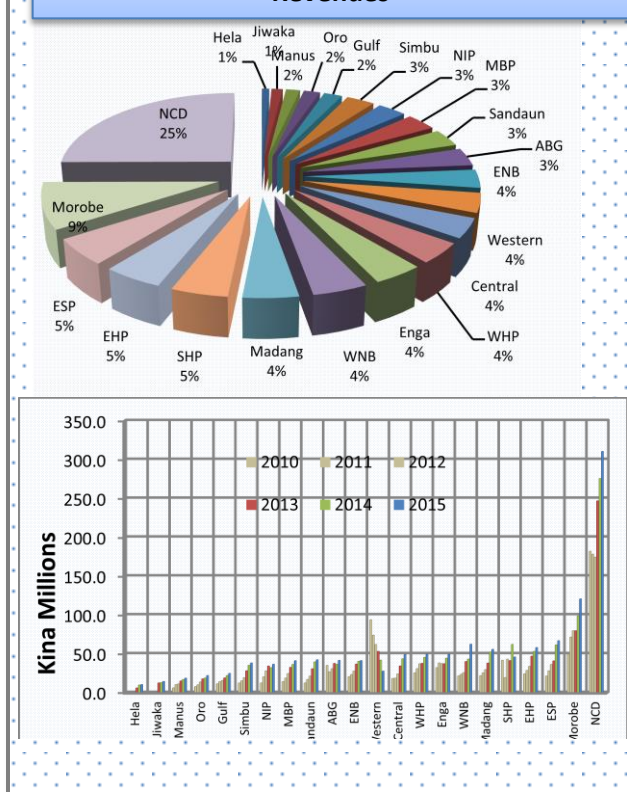


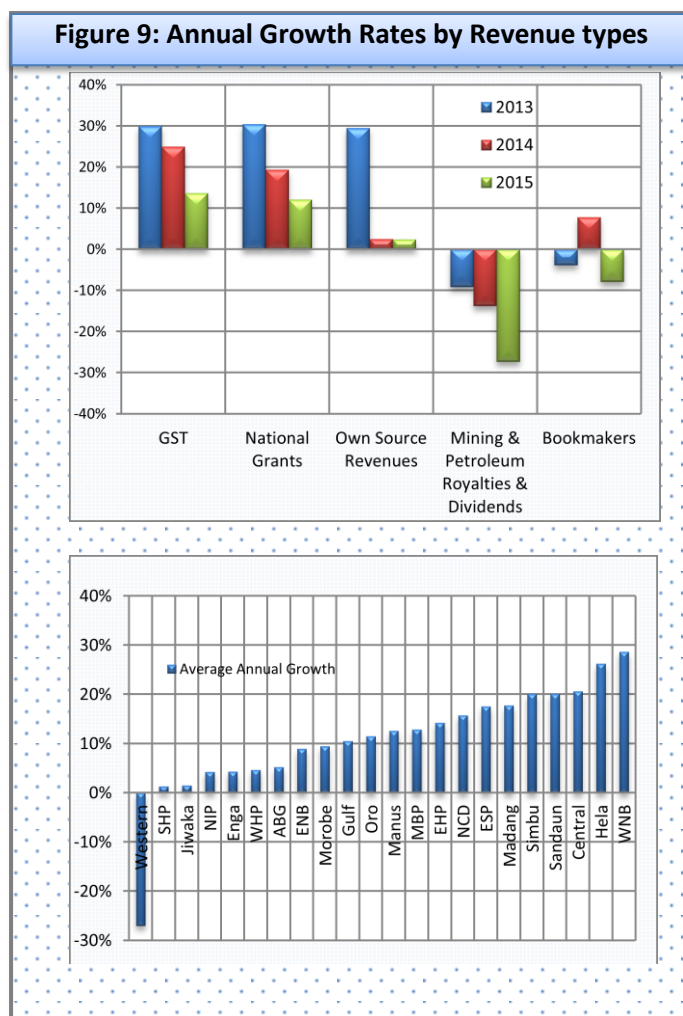
Figure 7 above provides a breakdown of average Provincial Government revenue received by each Provincial Government between 2013 and 2015 categorised into the five (5) primary sources of revenue. It is observed from above that:

- Provincial Governments who received in excess of **K25 million** annually can generally attribute this to large collections from a single revenue source as evident from:
 - GST revenues in the case of NCD and Morobe (73% of the total of GST distributed to all of the provinces).
 - Royalties and dividends in the case of SHP, Enga, Western and NIP.
 - National goods and services grants in the case of ESP, Madang, Central, ABG, Sandaun, MBP and Simbu

Figure 8: Provincial Government Share of Total Revenues



- **Figure 9** from the right shows the **annual growth rates by revenue type and by province**. As illustrated, on average, all revenue sources have been decreasing since 2013
- As represented, a mounting negative growth occurred primarily in **Mining & Petroleum Royalties and Dividends** significantly affected **Western** (-27%) and **SHP** (1%) including **NIP** (4%) and **Enga** (4%).
- Since Mining & Petroleum Royalties and Dividends forms a major revenue component of these four (4) provinces, the fall in this revenue source significantly reduce **Western's** total revenues with other's also experiencing **minimal or zero growth**.
- **WNB** (29%) and **Central** (21%) notably experienced higher growth than all other provinces. This is attributed to increasing Own Source Revenues generated within the period.



Most Provinces that depends on either National Grants or GST are around the **average growth of 11%**.

6.0 National Goods and Services Grants

The National Government essentially provides three types of grants to Provincial Governments. These are:

- Goods and services grants to fund the recurring or operational expenses;
- Staffing Grants to fund personnel emoluments and
- Grants to fund development or capital expenses, such as for PSIPs PIPs and SSGs.

This report is primarily concerned with the first type of grant: that is, grants provided to Provincial Governments for recurrent goods and services. As outlined in the introduction, these are the revenues available for operational activities and routine maintenance to ensure a continuous delivery of goods and services to the province. For example:

- ◆ the petrol that enables agricultural extension services, drug distribution and health patrols;
- ◆ the power that enables vaccines and drugs to be kept at the correct temperatures and the classroom lights to work; and
- ◆ the tools that enable road maintenance to be carried out.

This chapter reflects the overall funding levels for goods and services grants from 2013 to 2015 for the Provincial and Local-level Governments.

The grant is also briefly compared against staffing, capital and goods and services funding to National Government agencies at the end of this chapter.

6.1 Types of Provincial Function and Administration Grants

Goods and Services grants which provincial governments usually receive are the Function and Administration Grants

The Reforms of the Intergovernmental Financing Arrangement (RIGFA) which commenced in 2009 introduced the current Function Grants and the method in which these Grants are calculated and distributed to provincial governments.

The Function Grants are Constitutional grants with set conditions to ensure that funding was directed towards national priorities set out in the Medium Term Development Plans and strategies.

Listed below are the types of Function Grants provincial government currently receives.

- The **Health Function Grant** is for funding the cost of delivering basic recurrent health services such as drug distribution, health patrols, immunisation, supporting women during child birth and HIV/AIDS awareness activities.
- The **Education Function Grant** is for funding the operational costs of basic education (elementary, primary, secondary school education and vocational centres), including funding the cost of delivering basic recurrent education goods and services such as, provision of school materials to schools, supporting supervision activities of teachers and standard officers and supporting the cost of district education offices.

- The **Transport & Infrastructure Maintenance Function Grant** is for funding the recurrent maintenance costs of existing road, bridges, jetties, wharves, airstrips and airfields. The grant is not intended to support the costs of new roads, or for building, construction or rehabilitation, and building maintenance.
- The **Village Court Function Grant** is for funding the costs associated with the administration, supervision and support for the village court system in a province. The grant is not intended to fund the costs of salaries or allowances for village court officials (a separate staffing grant – Village Court Allowance is provided for this purpose).
- The **Land Mediation Function Grant** (introduced in 2015) is for funding the costs associated with the administration, supervision and support for the Land Mediation services in a province. The grant is not intended to fund the costs of salaries or allowances for land mediators (a separate staffing grant - Land Mediators Allowances is provided for this purpose).
- The **Primary Production Function Grant** is provided to further the development of subsistence, domestic trade and export commodities in the Province. The purpose of the grant is to fund the recurrent costs associated with agriculture and livestock, fisheries, and forestry. It covers activities such as extension services to farmers, farmer training, and the distribution of seeds and other technologies to farmers and fishermen.
- The **Administration Grant** is for funding the day-to-day operational costs of the Provincial and District Administrations. It includes costs of utilities, stationeries and the administrative costs of specific sectors provided for under the service delivery function grants.
- The **Other Services Delivery Function Grant** is for funding the functions other than those which have a specific service delivery function grants. This includes business development, community development, natural resource management, sports, environment, disaster management and lands administration etc.

6.2 Summary of Total National Grants

Table 5 National Government Goods and Services Grants to Provincial Governments
(Kina millions)

	2010	2011	2012	2013	2014	2015	In 2015 Kina Value		
							Average 2013-2015	Average Annual Increases	Provincial Trend
Provincial Government Grants (excl. ABG)	164.2	205.8	261.2	343.5	416.4	465.8	430.1	15%	
Administration Grant	8.8	9.2	10.2	11.1	25.4	30.2	23.2	44%	
Other Services Delivery Grant	15.5	17.2	22.9	41.5	43.0	46.3	46.1	24%	
Health Function Grant	39.3	51.9	64.1	73.6	89.4	98.9	91.9	10%	
Education Function Grant	39.1	46.6	59.5	78.9	96.3	108.6	99.5	16%	
Transport Infrastructure Maintenance Function Grant	45.1	61.7	79.7	107.8	126.2	139.5	131.1	15%	
Village Court Function Grant	2.3	2.3	3.5	5.3	6.2	7.3	6.6	22%	
Land Mediation Function Grant (a)						1.3	0.4	0%	
Primary Production Function Grant	14.1	16.9	21.2	25.3	29.9	33.8	31.2	11%	
ABG Goods and Services Grants (b)	20.0	21.6	20.5	24.0	22.3	25.9	25.4	3%	
Total (including ABG)	184.1	227.3	281.7	367.4	438.6	491.7	455.5	14%	

(a) Land Mediation Grant introduced in 2015

(b) Bougainville Goods and Services Grant consists of the Recurrent Goods & Services. It excludes Police Goods & Services and National Function & Powers

Table 5 above shows that the actual goods and services grants that were received by Provincial Governments between 2010 and 2015. As noted:

- The total annual level of goods and services funding provided to all Provincial Governments (including ABG) increased from K184.1 million to K491.7 million at with an annual increase of 16% annually.

Excluding the ABG, the level of annual goods and services grants received by Provincial Governments increased from approximately K164 million to K466 million at an annual increase of 19% on average.

- A larger share of these grants is from the Transport & Infrastructure, Education and Health Function Grants comprising of 71% in total than all other grants.
- The level of grants paid to ABG steadily remained at K25.4 million on average with only a 3% increase each year.

In general there continues to be sizable increases in the level of grants to Provincial Governments between 2013 and 2015. The primary reason for the increases grants levels is attributed to the increase in the total pool of grants allocation, determined through Net National Revenue (NNR). The NNR amount since 2009 has been increasing since the total tax revenue has also increased over the. The increasing NNR allocations has also increased the total share of grants distributed to provinces.

Refer to **Appendix A** for detailed province by province information on the Function and Administration provided to each Provincial Government between 2010 and 2015.

6.3 Goods and Services Grants by Individual Provinces

Table 6: National Goods and Services Grants received by Individual Provincial Governments
(Kina '000)

	2010	2011	2012	2013	2014	2015	In 2015 Kina Value		
							Average 2013-2015	Average Annual Increases	Provincial Trend
Western	4,209.3	4,459.2	3,890.7	3,074.2	3,074.2	6,969.2	4,552.1	28.1%	
Gulf	7,030.6	9,889.4	12,646.6	16,439.8	21,444.0	22,498.0	21,187.8	15.6%	
Central	10,454.5	11,129.6	13,742.1	21,859.5	26,582.3	31,589.9	28,048.7	26.4%	
MBP	10,455.4	13,788.9	19,612.4	26,975.6	29,890.4	31,773.4	31,180.7	12.2%	
Oro	6,467.0	8,397.0	11,378.8	15,451.8	16,067.2	19,064.0	17,776.1	13.4%	
SHP	7,962.0	13,057.0	14,366.8	11,471.0	14,626.1	15,216.6	14,504.5	-1.5%	
Hela	-	-	-	6,129.3	9,876.2	10,390.6	9,231.7	26.2%	
Enga	6,917.8	10,183.1	10,924.8	16,851.8	23,285.0	26,703.9	23,393.4	28.8%	
WHP	11,514.2	14,852.4	18,988.3	16,018.8	15,526.8	17,099.4	17,141.0	-7.9%	
Jiwaka	-	-	-	12,608.7	13,043.5	14,474.3	14,120.8	1.5%	
Simbu	10,398.0	12,751.5	16,543.9	23,089.4	31,347.7	35,499.2	31,492.8	22.9%	
EHP	12,408.1	15,959.6	21,196.2	27,514.8	29,288.9	39,731.6	33,821.4	17.6%	
Morobe	7,717.3	7,718.0	7,717.2	7,717.2	7,717.2	7,782.2	8,189.7	-4.9%	
Madang	15,578.2	17,022.6	22,334.3	27,283.4	38,755.1	41,338.3	37,615.5	17.3%	
ESP	17,542.8	22,584.0	29,804.9	34,333.6	51,141.7	55,431.3	49,310.7	17.9%	
Sandaun	11,052.1	14,355.8	19,065.7	27,274.0	35,921.3	39,171.9	35,888.7	21.4%	
Manus	5,673.0	7,507.5	10,058.1	12,779.8	15,717.6	16,699.2	15,870.9	12.7%	
NIP	3,903.6	3,608.6	2,409.5	2,170.0	2,170.0	2,235.0	2,318.4	-7.3%	
ENB	7,899.4	9,049.2	13,552.2	20,098.4	19,425.0	19,855.2	20,953.6	9.9%	
ENB	6,989.4	9,464.8	13,002.1	14,312.4	11,472.0	12,221.4	13,448.0	-6.1%	
ABG	19,965.5	21,562.7	20,512.2	23,988.8	22,250.5	25,933.5	25,424.4	3.2%	
Total Provincial Government Grants	184,138.3	227,340.9	281,746.7	367,442.3	438,622.8	491,702.1	455,479.1	14.5%	
Total Excl ABG	164,172.8	205,778.2	261,234.5	343,453.5	416,372.3	465,768.6	430,054.7	15.3%	

Figure 10: Annual Total Provincial Government Revenues

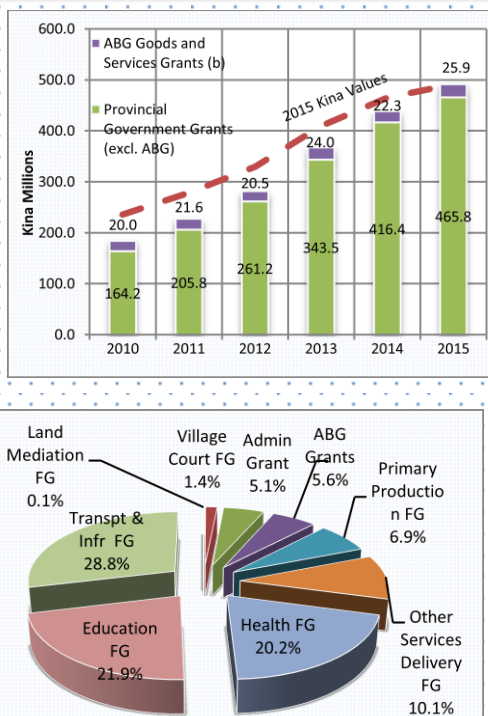
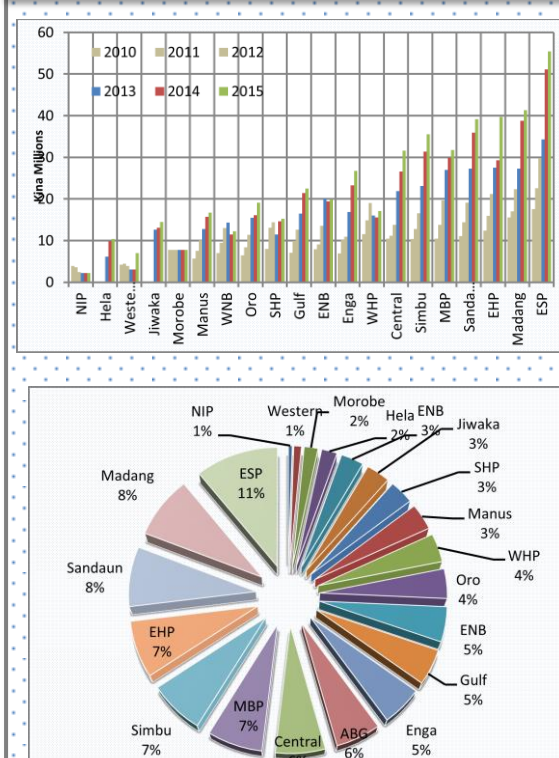


Table 6 above shows that the actual goods and services grants that were received by each Provincial Governments between 2010 and 2015. As illustrated also in **Figure 11**;

- **ESP** continues to be a significant recipient of Grants from National Government. ESP together **two (2)** other provinces, **Madang** and **EHP** on average received in total over **a quarter (27 %)** share of total grants to provinces.
- **Five (5)** provinces of **NIP, Western, Morobe, Hela** and **ENB** collectively received just **8%** of total Grants. These **five (5)** provinces grants **summed** together on average, **equals** the amount of grants **Madang** receives annually.
- **Six (6)** provinces of **Enga, Western, Central, Hela, Simbu** and **Sandaun** have received more than 20% increase in their grants each year between 2013 and 2015.
- **Five (5)** provinces of **WHP, NIP, ENB, Morobe** and **SHP** encountered **negative growth** each year on average.

Figure 11: National Goods and Services Grants to Provincial Governments



6.4 Goods and Services Grants Compared to Staffing and Development

While the consideration of provincial staffing and development funding is outside the scope of this report, it is worth comparing goods and services grants against the other two funding streams overall.

Provincial Staffing and Development – Total Funding

As noted there are three main types of National Government grants provided to Provincial and Local-level Governments. How does goods and services grants compare to provincial staffing grants and development grants?

Provincial Staffing Grants that are provided to provinces:

- Public Servant Salaries: provincial and district administration staff, extended service staff of national agencies including health workers (except in hospitals and church-run health centres);
- Teacher salaries: all teacher salaries in elementary, primary/community, secondary/high and vocational institutions (except for the NCD and the national high schools);
- Teacher and public service leave fares in relation to the above staff;
- Village Court allowances: village court and land mediation officials; and

Development Grants includes;

- Public Investment Programs (PIP),
- Provincial Services Improvement program (PSIP)
- Special Support Grants (SSGs) and other funding related to mining and petroleum projects,

- Provincial Special Intervention Program and Members Non-Discretionary grants which are either paid through Provincial Governments or directly to Districts.
- Some Provincial Governments also receive development grant funding off-budget through the tax credit scheme (these are not included in this analysis).

Table 7 below shows the relative importance of the staffing, development and goods and services grants provided to Provincial Governments between 2010 and 2015.

Table 7 National Government Grants to Provincial Governments (Kina millions)

	2010	2011	2012	2013	2014	2015	In 2015 Kina Value		
							Average 2013-2015	Average Annual Increases	Provincial Trend
PROVINCIAL GOVERNMENT GRANTS (EXCLUDING ABG)									
Goods and Services Grants	164.2	205.8	261.2	343.5	416.4	465.8	430.1	15.3%	
Staffing Grants	714.5	789.4	1,036.1	1,089.9	902.9	1,466.3	1,213.0	10.7%	
Public Servant Salaries	215.8	243.2	288.1	159.1	227.7	312.4	243.8	6.0%	
Teacher Salaries	464.5	506.5	706.0	880.4	630.2	1,118.5	922.8	18.1%	
Public Servant Leave Fares	9.3	11.7	13.1	12.8	12.1	8.9	12.0	-16.0%	
Teacher Leave Fares	18.8	21.4	21.7	29.5	25.2	23.4	27.7	-0.7%	
Village Court Allowances	6.3	6.8	7.3	8.2	7.8	0.2	5.9	-33.2%	
Land Mediators Allowances	0.0	0.0	0.0	0.0	0.0	2.9	1.0	0.0%	
Development Grants	136.0	249.7	171.7	1,107.0	1,597.9	1,451.2	1,459.9	179.0%	
Other Public Investment Programs	37.9	65.9	55.1	78.1	65.9	73.1	73.1	1.5%	
Members non discretionary Grant	26.5	26.0	26.3	0.0	0.0	0.0	-	-33.3%	
SSGs and other Mining Agreement Grants	52.6	71.8	90.4	77.9	102.2	85.1	93.4	-4.9%	
Provincial Special Intervention Program	18.0	0.0	0.0	0.0	0.0	0.0	-	0.0%	
NADP Funds	0.0	86.0	0.0	0.0	0.0	0.0	-	0.0%	
DSIP				501.0	846.9	845.4	767.3	18.3%	
PSIP				442.0	422.0	376.7	439.0	-8.3%	
LLGSIP				8.0	161.0	81.8	87.1	586.8%	
TOTAL	1,014.7	1,244.9	1,469.0	2,540.4	2,917.2	3,383.3	3,102.9	27.8%	
AUTONOMOUS BOUGAINVILLE GOVERNMENT (ABG)	83.4	88.7	179.4	174.8	132.0	295.5	210.1	25.3%	
Goods and Services Grants (excluding LLGs)	20.0	21.6	22.3	20.6	19.1	21.3	21.6	-6.1%	
Staffing Grants	38.0	44.7	56.1	53.2	64.7	103.0	76.9	18.7%	
Development Grants	25.5	22.5	101.0	101.0	48.1	171.2	111.6	58.8%	
TOTAL (INCLUDING ABG)	1,098.1	1,333.6	1,648.4	2,715.2	3,049.1	3,678.8	3,313.0	25.8%	

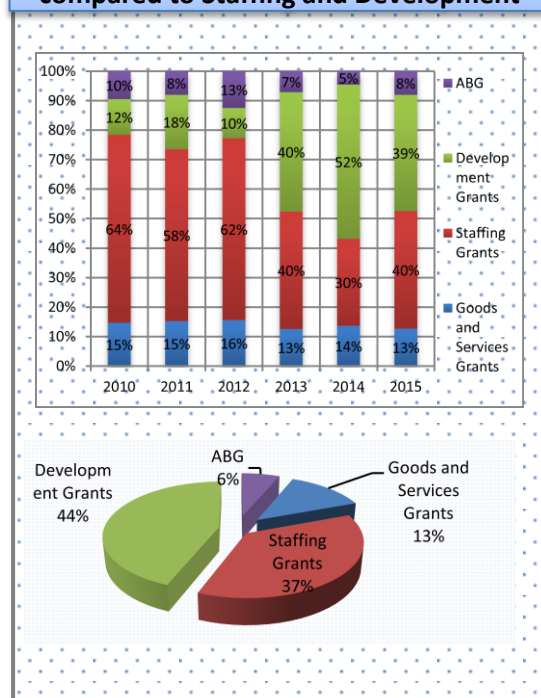
Table 7 above and **Figure 12** indicates that goods and services grants is proportionately a relatively smaller funding source to Provincial Governments as compared to provincial staffing and development grant funding.

Goods and services grants, although has increased from K344 million in 2013 to K466 million in 2015, relative to total National Grants it has proportionately remained stable at 13%.

Development Grants covers a larger share (44%) of total National Grants increasing from K1.1 billion in 2013 to K1.4 billion 2015. Development grant² has increased in relative terms to staffing grant funding. Development grants totalled K52 million in 2004 and had climbed to K182 million in 2012.

Provincial Staffing grants comprises of 37% of total National Grants increasing from approximately K1.1 billion in 2013 to K1.5 billion in 2015.

Figure 12: Goods and Services Grants compared to Staffing and Development



² Development grants figures are based on actual amounts to provinces obtained from the National Budget Books.

An important implication of National grant funding for goods and services grants growing at a lower rate than development grant funding to Provincial Governments is that goods and services funding will become increasingly inadequate to meet the operational costs resulting from an increased number of capital projects funded from development grants. For example;

- New roads constructed will require on-going funding for maintenance in order to ensure that the road does not deteriorate through normal wear and tear;
- New schools requiring maintenance, basic materials and school books to provide a good learning environment; and
- New health centres require fuel to maintain the correct temperatures for storing drugs and to pay for fuel to deliver medical supplies, and also the costs of health patrols to carry out immunisations.

7.0 Goods and Services Tax (GST)

Goods and Services Tax or GST is a tax, which is imposed on the sale of goods and services in Papua New Guinea or the importation of goods into Papua New Guinea. GST is imposed at a rate of 10% of the value of the goods and services sold (or goods imported).

Businesses with an annual turnover greater than, (or expected to be greater than) K250,000 usually register for GST. Businesses with turnovers less than K250,000 per year can register for GST on a voluntary basis.

The GST is collected and administered by the IRC and is imposed at all stages of production, from manufacturer to the final consumer. The GST also imposes the levy on the importation of goods. Businesses which are registered with the IRC can obtain a credit for the GST paid on business inputs. These input tax credits are offset against any GST collected by the taxpayer. The taxpayer pays the net excess amount to the IRC. If the input tax credits exceed the GST the taxpayer collects, the IRC refunds the excess amount to the taxpayer. Final consumers (e.g. householders, salary and wage earners and others who are not entitled to register for GST) must pay prices that include GST when they purchase most goods and services and are not entitled to any offsetting credits.

Companies with branches in more than one province, or associated companies with a common and majority shareholding, may register all branches as a group and submit one GST return for the whole group.

The multi-province group is required to list the total sales and GST collected in each of those provinces in the GST return. This enables the IRC to distribute to the Provinces the GST collected in those Provinces according to the GST Distribution Act 2003.

The IRC distributes a portion of the GST revenue it has collected to Provincial Governments and the NCD based on sharing arrangements set out in the GST Revenue Distribution Act 2003 (the Distribution Act). Any remaining GST that is not distributed to Provincial Governments or the NCD under these sharing arrangements is paid into a consolidated revenue fund (to the National Government).

The GST commonly comprises of two different components- port GST and inland GST. Port GST is the GST imposed on all items that enter the country through the major ports (airports and seaports). Port GST is collected by PNG Customs on behalf of IRC. Inland GST is the GST imposed on most transactions with goods and services within the country. The National Government retains all of the port GST and shares some of the inland GST (less any refunds (input tax credits) in relation to inland GST paid to taxpayers) with Provincial Governments.

7.1 Total Net Inland GST Collections and Distributions

In every fiscal year, each Provincial Government is entitled to receive an amount equal to 60% of the net inland GST collected in the province during the second preceding fiscal year. Using the second preceding fiscal year as the basis for calculation of the GST distributions means that, for example, the amount of GST a Provincial Government receives in 2015 will be based on what was actually collected in the Province in 2013.

The GST continues to be paid into provincial trust accounts and is distributed on a monthly basis by the IRC. This amount is available to be used at the discretion of the Provincial Government. In calculating each Provincial Government's fiscal needs amount, it is assumed that Provincial Governments apply the GST to meeting the recurrent cost of their assigned service delivery functions and responsibilities.

Table 8 Total inland GST collections and distributions from 2013 – 2015



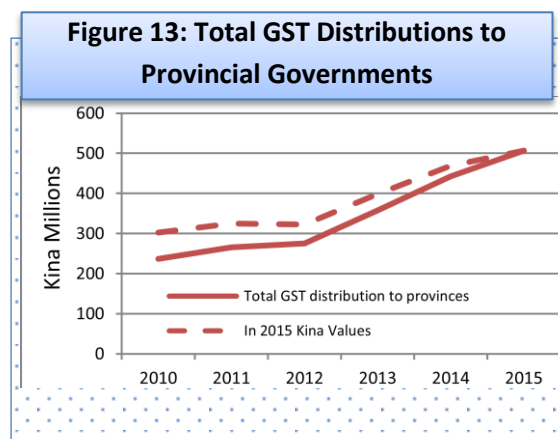
Distribution Year	2010	2011	2012	2013	2014	2015	In 2015 Kina Values		
							Average 2013-2015	Average Annual Increases	Trend
Total GST distribution to provinces	236.6	265.7	275.2	357.5	443	506.6	458.1	16%	
% change		12%	4%	30%	24%	14%			
Collection Year									
2008	2009	2010	2011	2012	2013				
Total net inland GST collections	394.4	444.7	458.7	595.8	743	844.3	765.5	16%	
% change		13%	3%	30%	25%	14%			

Table 8 and Figure 13 showed an overall increase in total GST distributions to all Provincial Governments.

GST Distributions gradually increased from K237 million in 2010 to K507 million in 2015, reflecting a corresponding increase in total net inland GST collections.

Total net GST collections increased from approximately K395 million in 2008 to K844 million in 2013.



A higher GST collection and distribution often reflects growth in the economy within the period. It reveals in general that there is a higher overall consumption of goods and services with more taxpayers registering and more collection made from GST.

The amount of GST collected and distributed also depends on timely payments by taxpayers. On most occasions IRC officers have to pursue outstanding payments. This is an additional load to the already limited resources which the IRC currently has.

The Distributions of GST are sometimes affected by the built up of a backlog unidentified electronic payments already collected but needs to be examined before distributions are made.

7.2 GST Distributions to Individual Provincial Governments

Table 9: GST distributions to individual Provincial Governments

	2010	2011	2012	2013	2014	2015	In 2015 Kina Value		
							Average 2013-2015	Average Annual Increases	Provincial Trend
Western	2,898.0	2,648.0	3,216.6	5,336.3	5,150.2	7,000.7	6,137.1	26.0%	
Gulf	196.9	51.1	249.5	305.5	332.6	231.8	308.3	-4.7%	
Central	750.4	962.8	2,000.0	2,246.2	2,770.5	1,982.7	2,474.8	-2.8%	
N.C. D.	149,029.7	155,825.8	149,649.4	202,460.7	241,626.5	274,174.0	252,031.7	16.5%	
MBP	2,544.1	3,342.2	2,512.0	4,719.0	4,597.8	7,126.9	5,754.5	39.3%	
Oro	1,237.4	1,441.5	1,249.3	2,280.8	2,504.8	2,268.4	2,489.0	21.2%	
SHP	653.4	922.6	1,586.9	5,255.5	8,274.1	10,364.0	8,331.9	94.4%	
Enga	465.1	879.3	1,233.3	923.6	1,520.1	1,280.9	1,307.4	2.4%	
WHP	11,965.9	11,991.1	13,190.0	16,671.0	25,200.1	26,818.2	24,040.9	21.5%	
Simbu	661.6	1,563.7	1,691.7	3,420.8	2,526.5	1,583.6	2,692.3	7.3%	
EHP	10,275.5	10,822.3	10,550.0	15,368.7	20,968.9	14,988.5	18,118.5	12.0%	
Morobe	30,786.3	46,763.4	57,143.2	57,844.1	76,997.0	95,697.5	80,608.5	13.4%	
Madang	4,035.5	5,971.2	4,746.6	7,455.2	9,795.4	11,610.8	10,102.8	28.8%	
ESP	2,036.0	3,139.5	4,436.4	4,336.6	7,356.9	8,529.2	7,054.6	21.2%	
Sandaun	317.1	657.4	1,128.0	1,434.6	1,392.9	1,358.5	1,478.3	1.8%	
Manus	224.0	205.6	188.9	718.0	586.2	1,192.9	871.7	110.6%	
NIP	2,247.0	2,542.0	3,741.1	4,740.1	6,990.7	7,624.9	6,773.8	21.3%	
ENB	8,516.5	10,922.8	9,611.4	10,982.1	14,804.9	17,414.4	15,118.5	16.0%	
WNB	5,560.4	3,964.3	3,930.1	7,031.4	9,112.0	11,909.3	9,803.3	39.0%	
ABG	1,115.5	1,115.5	1,587.4	1,979.6	1,661.2	1,711.0	1,893.2	-1.4%	
Total	235,516.1	265,732.1	273,641.7	355,509.7	444,169.1	504,868.2	457,391.2	16.6%	

Table 9 and Figure 14 show that GST distributions significantly vary between provinces, with the majority of distributions being shared by Provincial Governments with large commercial centres and NCD (where GST is paid on the sale of goods and services).

Figure 14 on the opposite shows that on average, between 2013 and 2015:

- NCD received approximately 55% of GST distributions;
- Morobe received approximately 18% of GST distributions;
- Five other Provincial Governments shared 18% of GST distributions (WHP – 5%, EHP – 4%, ENB – 4%, with Madang and WNB – 2% respectively).
- SHP, ESP, NIP, Western MBP have each received between 1-2 % of total GST distributions totalling 7% of GST distributions; and
- The remaining eight Provincial Governments shared the remaining 4% of GST distributions, with each receiving less than 1% of total distributions.

Figure 14: Total GST Distributions Share to Provincial Governments

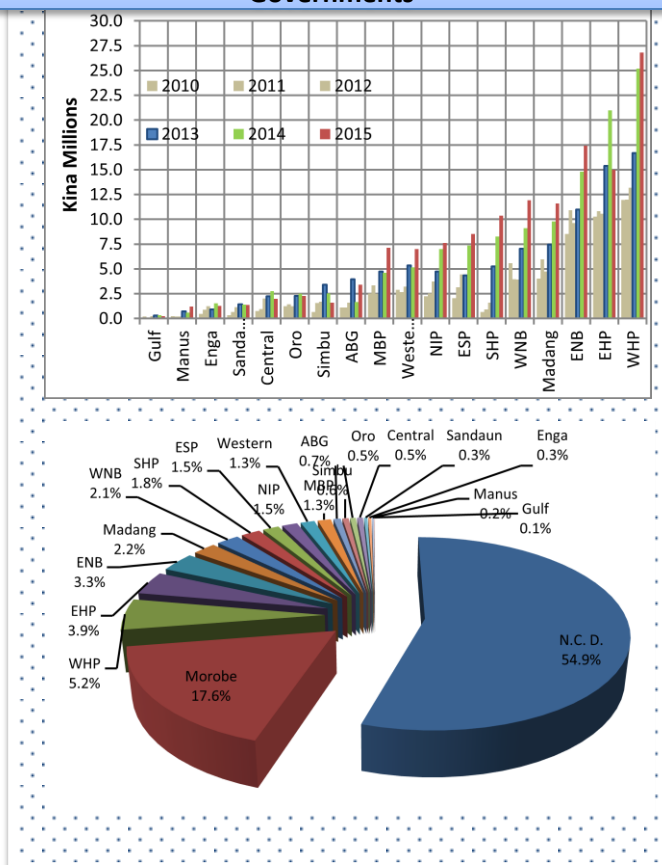


Table 10: Provincial Government GST Net Inland Collections versus Distributions (Kina millions)

	Net Inland GST Collection (2011)	2013 Distribution	Distb'n as % of net collection	Net Inland GST Collection (2012)	2014 Distribution	Distb'n as % of net collection	Net Inland GST Collection (2013)	2015 Distribution	Distb'n as % of net collection
Western	8,893.8	5,336.3	60%	8,583.7	5,150.2	60%	11,667.9	7,000.7	60%
Gulf	509.1	305.5	60%	554.4	332.6	60%	386.3	231.8	60%
Central	3,743.6	2,246.2	60%	4,617.4	2,770.5	60%	3,304.4	1,982.7	60%
NCD	337,434.5	202,460.7	60%	402,710.8	241,626.5	60%	456,956.6	274,174.0	60%
MBP	7,865.0	4,719.0	60%	7,663.0	4,597.8	60%	11,878.2	7,126.9	60%
Oro	3,801.3	2,280.8	60%	4,174.6	2,504.8	60%	3,780.6	2,268.4	60%
SHP	8,759.1	5,255.5	60%	13,790.2	8,274.1	60%	17,273.4	10,364.0	60%
Enga	1,539.4	923.6	60%	2,533.6	1,520.1	60%	2,134.8	1,280.9	60%
WHP	27,784.9	16,671.0	60%	42,000.1	25,200.1	60%	44,697.1	26,818.2	60%
Simbu	5,701.4	3,420.8	60%	4,210.8	2,526.5	60%	2,639.4	1,583.6	60%
EHP	25,614.4	15,368.7	60%	34,948.1	20,968.9	60%	24,980.9	14,988.5	60%
Morobe	96,406.8	57,844.1	60%	128,328.3	76,997.0	60%	159,495.8	95,697.5	60%
Madang	12,425.3	7,455.2	60%	16,325.6	9,795.4	60%	19,351.3	11,610.8	60%
ESP	7,227.7	4,336.6	60%	12,261.4	7,356.9	60%	14,215.3	8,529.2	60%
Sandaun	2,391.0	1,434.6	60%	2,321.4	1,392.9	60%	2,264.2	1,358.5	60%
Manus	1,196.6	718.0	60%	977.0	586.2	60%	1,988.2	1,192.9	60%
NIP	7,900.2	4,740.1	60%	11,651.2	6,990.7	60%	12,708.1	7,624.9	60%
ENB	18,303.5	10,982.1	60%	24,674.8	14,804.9	60%	29,024.0	17,414.4	60%
WNB	11,719.0	7,031.4	60%	15,186.7	9,112.0	60%	19,848.9	11,909.3	60%
ABG	6,598.6	1,979.6	30%	5,537.3	1,661.2	30%	5,703.2	1,711.0	30%
Total	595,815.4	355,509.7	60%	743,050.5	444,169.1	60%	844,298.6	504,868.2	60%

The distribution of GST to provinces is sometimes argued to be unfair particularly for provinces without large commercial centres. The common argument is that people from such provinces usually travel to the commercial centres such as Port Moresby, Lae, Mount Hagen and East New Britain to purchase goods and services as well as sell their produce contributing to more GST collections for the large urban centre.

NCD and Central Provincial Government in recognising this entered into a mutual agreement, whereby the NCD shares with Central Province 5% per cent of its GST distribution each year.

However in the long-run all provinces should work towards improving their local economy through engaging and encouraging growth in industries such as SMEs (Small to Medium Enterprises), tourism and agriculture.

The larger the provinces develop commercially, the more GST revenues they can generate and benefit from. These revenues can then be used to improve access to services such as roads, street lighting, upkeep of markets and its facilities, pay utilities which every people can benefit from.



From the IRC 2014 Revenue Report, there were a number of revenue measures undertaken by IRC to improve the processes, collections and distribution of GST. Amongst those included, was the sharing of information between IRC and IPA which resulted in registering more taxpayers in 2014 than previous years.

The IRC also established new guidelines for GST lodgement enforcement (prosecution), provided training and introduced stronger penalties in the 2015 National Budget.



8.0 Bookmakers Turnover Tax Distributions

Provincial Governments are entitled to shared revenues raised from bookmakers tax collection. A Bookmaker Turnover Tax is a 4 per cent tax imposed on the value of the bet made by a punter on a race with a registered bookmaker.

Bookmakers Turnover Tax was previously imposed under sections 16 to 25 of the *Bookmakers Act 1974*. The *Bookmakers Act 1974* was abolished as part of the Reforms in Inter-government Funding Arrangement (RIGFA) in 2008.

The Bookmakers Turnover Tax is implemented through the *Intergovernmental Relations (Functions and Funding) Act 2009*.

The Gaming Authority administers the Bookmakers act which requires license to operate bookmaking while portion of Bookmaking Act, Ch No 265 is administered by the Commissioner General of IRC.

The bookmakers turnover tax is paid into a provincial trust account and distributed on a monthly basis with the amount being available for use at the discretion of the Provincial Government.

8.1 Total Bookmakers Distribution

In each year, Provincial Governments with licensed bookmakers operating within their province receives a distribution of bookmakers tax.

From all provinces, only 6 provinces (Eastern Highlands, Western Highlands, Morobe, Madang, East New Britain and West New Britain) as well as NCD have bookmakers operating thus has been receiving these revenues.

100 per cent of Bookmakers Turnover Tax collection from Provinces is distributed back to the province after 2 years. (the second preceding year³)

Due to an anomaly between the Intergovernmental Relations (Functions and Funding) Act 2009 and the Gaming Control Act 2007, the bookmaker's proceeds between the years of 2009 and 2012 were not distributed. A Budget Amendment in 2013 resolved this situation and the Bookmakers turnover tax was distributed back to recipient Provinces.

³ Bookmakers turnover tax is distributed to provinces on a monthly basis. Example- May 2012 Collection is distributed to the province in May 2014.

8.2 Bookmakers Distribution to Individual Provincial Governments

Table 11 Bookmakers Turnover Tax Distributions to Provincial Governments (kina)

	2010	2011	2012	2013	2014	2015	In 2015 Kina Value		
							Average 2013-2015	Average Annual Increases	Provincial Trend
NCD	3,107,122	4,053,803	5,892,042	5,565,748	6,146,877	4,697,322	5,806,770	11%	
MOROBE	692,322	828,644	942,707	953,366	825,053	1,015,626	984,483	-2%	
MADANG	623,827	728,795	848,651	905,605	1,158,981	1,024,757	1,087,754	2%	
WHP	461,209	433,789	480,992	524,461	566,397	1,423,693	869,663	48%	
EHP	244,739	274,025	447,093	436,165	408,852	393,344	437,724	-9%	
ENB	285,309	317,966	345,998	330,910	369,951	206,994	322,732	17%	
WNB	203,276	139,567	152,589	105,114	34,027		51,101	52%	
NIP	89,005	86,384	62,445				-	-	
Total	5,706,809	6,862,972	9,172,517	8,821,368	9,510,139	8,761,736	9,560,225	-6%	
% change		20%	34%	-4%	8%	-8%			

Figure 15: Share of Bookmakers Distribution to Provincial Governments

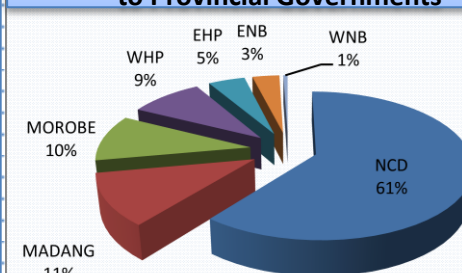


Table 11 and Figure 15 show that total distribution of bookmakers to Provincial Governments remains the same in general each year with no real growth.

NCD receives the largest share of about 61 per cent of total bookmakers distribution

Apart from NCD, Madang, Morobe and WHP are the largest recipients collecting about 30 per cent of total Bookmakers distribution on average annually.

EHP, ENB and WNB share the remaining 10 per cent of bookmakers total distribution



Legislative Changes to Bookmakers

During the 2017 National Budget, the Inter-Governmental Relations (Functions & Funding) Act was amended and establishes the bookmaker's turnover tax sharing arrangement with eligible provinces to receive 40 per cent while National Government retains 60 per cent. Correspondingly the Stamp Duties Act was amended to repeal stamp duty on bookmakers betting tickets. This is because the revenue generated from Stamp Duties is significantly lower relative to its administration costs. The intention was to simplify the administration in which the lost revenue from this arrangement will be collected through the increased Bookmakers Turnover Tax to be shared between eligible provincial governments and the national government.

9.0 Benefits from Natural Resources

MINING AND PETROLEUM ROYALTIES AND DIVIDENDS



Mining and Petroleum projects provide substantial revenues to a small number of Provincial Governments.

Generally, the Mining Act 1992 and Oil and Gas Act 1998 provide minimal guidance on the distribution of benefits from mining and petroleum projects. Instead, the terms under which each mining or petroleum project proceeds and how the earnings from a project are distributed to beneficiaries (landowners, Local-level Governments, Provincial Governments, the State and developers) are outlined in the MOA for each project.

Broadly, the main categories of benefits from mining and petroleum projects are:

- Royalties
- Dividends from equity holding in projects
- Special Support Grants
- Tax Credit Schemes
- Development Levies
- Other miscellaneous grants or discretionary payments (as provided for in the MOAs)

This report only provides data on the first two categories of revenue as these are generally available to Provincial Governments to fund recurrent goods and services (rather than being aimed at capital spending).

9.1 Types of Royalty and Dividend benefits for Provincial Governments

Royalties

For mining projects, the State receives two per cent of the *mine head* value of the minerals. Usually, wellhead (mine-head) value is derived by calculating the “gross value” of the total value of minerals (gold, copper, oil or gas) recuperated from the project and deducting all the costs incurred for the project to the point of sales.

In all projects developed to date, the National Government has agreed to transfer all royalties to Provincial and/or Local-level Governments and landowners.

Similarly, for petroleum projects, two per cent of the *well head* value of all petroleum produced from the license area is provided to the State, with the further distribution of these royalties provided for in the MOA for each project.

Dividends from Equity Holdings in Projects

Provincial Governments with mining and petroleum projects are sometimes entitled to purchase or be assigned (for free) equity stakes in projects which generate both dividends and profit shares.

For example;

- Petroleum Resources Kutubu Ltd (PDL 2 Kutubu Project) which benefits SHP and Gulf
- Mineral Resources Ok Tedi No 2 Ltd (Ok Tedi Project) that benefits Western
- Mineral Resources Enga Ltd (Pogera Gold Project) which benefits Enga

These equity stakes are held through corporate vehicles to manage the provincial and landowner equity shares. These shares are managed through trust arrangements by Mineral Resources Development Corporation (MRDC) which distributes the dividends from these equity holdings as per the MOA for each project.

Which Provincial Governments Benefit from Mining and Petroleum Projects?

Under the MOA for various projects, the following Provincial Governments have received royalties or dividends from projects during the 2010 to 2015 period. These are:

Mining projects:

- New Ireland (royalties from the Lihir project);
- Central (royalties from the Tolukuma project);
- Western (royalties and dividends from the OK Tedi project);
- Enga (royalties and dividends from the Porgera project); and
- Morobe (royalties from the Hidden Valley project – from 2008)

Petroleum projects:

- Southern Highlands (royalties and dividends from the Kutubu and Moran projects); and
- Gulf (dividends from the Kutubu project).

Mining projects open and close. For example, a new MOA has been negotiated for the Ramu nickel mine in Madang that will provide revenue benefits to this Provincial Government in the future.

9.2 Summary of Total Royalty and Dividend Revenues

Table 12: Total Revenues from Royalties and Dividends to Provincial Governments (kina millions)

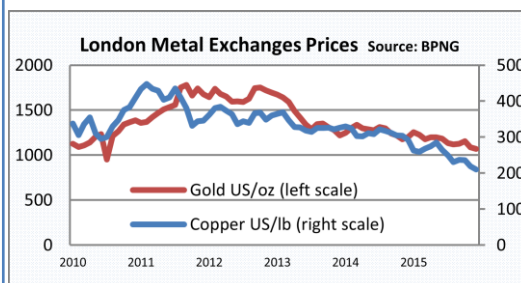
	2010	2011	2012	2013	2014	2015	In 2015 Kina Value		
							Average 2013-2015	Average Annual Increases	Trend
Royalty & Dividend Revenues	152.2	121.7	129.6	117.8	101.6	73.8	104.3	-21%	
% Change		-20%	6%	-9%	-14%	-27%			

Table 12 above and Figure 16 revealed falling revenues in royalties and dividends from K118 million in 2013 to 57.2 million in 2015. On average royalties and dividends were decreasing on an average rate of 21% annually.

A major contributing factor was the suspension of production in Ok Tedi Mine (Western Province) in 2015 due to low copper prices and dry weather experienced at that time.

The Gold and Copper Prices as seen from bottom left graph of Figure 16 shows that the falling Gold and Copper prices reached its lowest in 2015. This contributed immensely to the low production and affected benefits to provincial governments.

Figure 16: Royalty and Dividend Revenues to Provincial Governments



9.3 Royalty and Dividend Revenues to Individual Provincial Governments

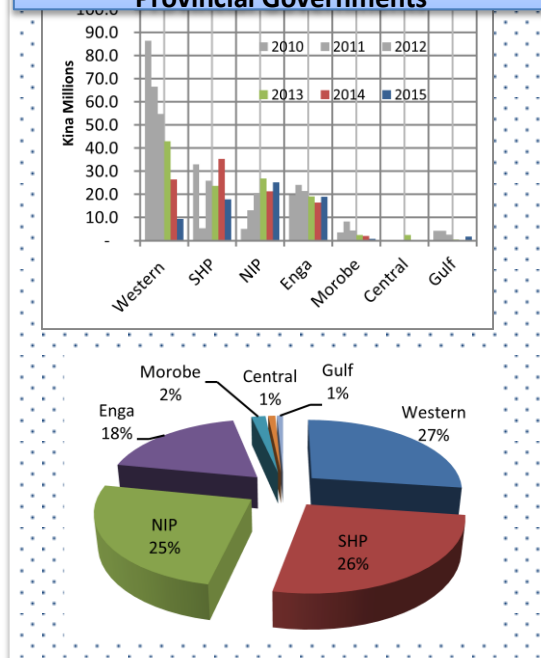
Table 13 below provides a summary of the royalties and dividends that are available to Provincial Governments from mining and petroleum projects.

Table 13: Provincial Government benefits from mining and petroleum projects (Kina '000s)

Provincial Government	2010	2011	2012	2013	2014	2015	In 2015 Kina Value		
							Average 2013-2015	Average Annual Increases	Trend
Western	86,400.0	66,500.0	54,700.0	42,900.0	26,400.0	9,300.0	28,376.6	-45%	
Gulf	4,175.0	4,175.0	2,505.0	500.0	50.0	1,762.0	790.9	601%	
Central	357.0	200.1	101.1	2,468.9	56.5	0.0	937.8	676%	
SHP	32,987.7	5,406.4	25,872.9	23,625.3	35,378.0	17,767.8	27,205.5	-8%	
Enga	19,579.4	24,103.5	21,422.4	19,103.5	16,422.4	18,985.2	19,232.9	-8%	
Morobe	3,596.6	8,275.7	4,371.6	2,398.0	2,000.1	795.3	1,863.3	-44%	
NIP	5,112.7	13,081.5	20,676.0	26,788.4	21,277.9	25,236.7	25,889.3	4%	
Total	152,208.4	121,742.2	129,649.0	117,784.1	101,584.8	73,847.0	104,296.3	-21%	

Table 13 and Figure 17 depicted that in summary;

- Western continues to be the largest recipient of revenues from total royalties and dividends. Western on average receives about 27% of total royalties and dividends from all provincial governments. These revenues however have significantly drop from K42.9 million in 2013 to K9.3 million in 2015 declining at a rate of 45% annually. The reduction in revenues is attributed to the temporary closures of Ok Tedi Mine.
- Gulf's dividends from the Kutubu petroleum project varied from K0.5 million to K1.7 million in 2015.
- Central's royalties from the Tolukuma project remained at approximately K0.4 million between 2004 and 2010 before declining to K0.1 million in 2012
- SHP royalties and dividends from the Kutubu and Moran petroleum projects grew from K20 million in 2004 to K31 million in 2007 and averaged at K24 million per year from 2008 to 2012.

Figure 17: Royalty and Dividend Revenues Provincial Governments

9.4 Upcoming Mining and Petroleum Projects that would benefit Provincial Governments

The next generation of projects certainly will increase revenues in this sector and also will generate revenues for the host provinces including benefits to landowners and the state.

- The Wafi-Golpu Project, located in Morobe Province, which according to the project director, could operate for over three decades.
- The Frieda River project (Frieda River Copper and Gold Project) which is 70kms south of the Sepik River on the border of the Sanduan and East Sepik Provinces is estimated to operate with initial mine life of 17 years.

A number of smaller projects including Woodlark, Wau, Milne Bay, Mount Kare and the first underwater mining operation in Solwara 1, all once in operation will also provide direct or indirect benefits to the host provinces.

9.5 Challenges in obtaining Data from Sources

Ensuring consistent and reliable data on the benefits deriving from mining and petroleum projects is a challenge as there is little published information available. The primary sources of data are the companies that operate the relevant projects. There are also Government agencies such as MRA and MRDC that gather information on royalties and dividends paid by the mining and petroleum companies from mining and petroleum projects. This study was able to use data from all these entities.

Another challenge in analysing the revenue that is available to Provincial Governments is that while most of the distribution of benefits is in accordance with the MOA, some Provincial Governments have given up additional royalty shares to landowners or may have diverted these benefits to other investment vehicles.

This report does not analyse distribution arrangements that may not be set out in the MOA. We have detailed the royalties and dividends to which a Provincial Government is actually entitled.

Below is a summary of the royalties and dividends from mining and petroleum projects that are available to Provincial Governments, provided by mining companies and (or) Government agencies if mining company data is not available or incomplete).

Table 14: Summary of Royalties and Dividends from various sources

Provincial Government		2010	2011	2012	2013	2014	2015	Data Source
Western	Royalties	46,800.0	42,900.0	32,700.0	42,900.0	22,600.0	9,300.0	Company (Ok Tedi)
	Dividends	39,600.0	23,600.0	22,000.0	0.0	3,800.0	0.0	Company (Ok Tedi)
	sub total	86,400.0	66,500.0	54,700.0	42,900.0	26,400.0	9,300.0	
Gulf	Dividends	4,175.0	4,175.0	2,505.0	500.0	50.0	1,762.0	MRDC, PGAS
Central	Royalties	357.0	200.1	101.1	2,468.9	56.5	0.0	MRA
SHP	Royalties	29,528.7	1,947.4	25,872.9	23,625.3	33,048.0	17,767.8	PGAS
	Dividends	3,459.0	3,459.0	0.0	0.0	2,330.0	0.0	MRDC,
	sub total	32,987.7	5,406.4	25,872.9	23,625.3	35,378.0	17,767.8	
Enga	Royalties	17,579.4	19,103.5	15,422.4	19,103.5	15,422.4	17,151.8	Company (Barrick)
	Dividends	2,000.0	5,000.0	6,000.0	0.0	1,000.0	1,833.4	PGAS
	sub total	19,579.4	24,103.5	21,422.4	19,103.5	16,422.4	18,985.2	
Morobe	Royalties	3,596.6	8,275.7	4,371.6	2,398.0	2,000.1	795.3	MRA (PGAS data- 2012)
NIP	Royalties	5,112.7	13,081.5	20,676.0	26,788.4	21,277.9	25,236.7	Company (New Crest)
Total	Royalties	102,974.4	85,508.2	99,144.0	117,284.1	94,404.8	70,251.6	
	Dividends	49,234.0	36,234.0	30,505.0	500.0	7,180.0	3,595.4	
	Total	152,208.4	121,742.2	129,649.0	117,784.1	101,584.8	73,847.0	

Comparative Data Sources

As noted, data on the royalties and dividends for mining and petroleum projects can also be obtained from Government agencies and from the revenue reported in the PGAS internal revenue summaries provided by Provincial Governments to the DoF (which should match the data reported in Provincial budgets and financial statements).

There is a significant variance between the data sources for some of the mining and petroleum projects. In general, these differences reflect factors such as:

- There is no requirement to report the benefits from mining and petroleum projects at both the National and Provincial levels.

- PGAS data may not bear a close relationship to mining company or Government agency data due to funds not being transferred into Provincial Government bank accounts and instead being paid into trust, landowner or other bank accounts.
- Weaknesses in the collection, classification and reporting of revenue data in Provincial Government accounts. For example, data may be coded incorrectly, not entered, or be entered into a miscellaneous or sundry revenue category.
- Dividend data is recorded by the MRDC on an accrual accounting basis – that is the year in which the dividend is declared (not paid). However, the dividend is recorded on a cash accounting basis in PGAS – that is the year in which the dividend is paid. As such, there may be some similarity between the PGAS data for a particular year and the prior year of MRDC data.

Improving the Reporting of Benefits from Mining and Petroleum projects

As highlighted the significant challenge lies in ensuring reliable and accurate data as it concerns mining and petroleum projects. In particular, the revenue streams into Provincial Government accounts often do not match the comparative data from mining companies and Government agencies (particularly for Western, Gulf and Southern Highlands Provincial Governments).

This arises primarily as dividends, and sometimes royalties, are often paid as a cheque or transferred into trust accounts maintained by Provincial Governments, allowing some Provincial Governments to deal with substantial benefit flows outside mainstream budget and financial management arrangements such as PGAS.

In comparison, GST distributions to Provincial Governments are paid directly into Provincial Government operating accounts by the IRC. As a result, the discrepancies between different data sources are not as great. This is because the funds must be deposited directly into Provincial Government bank accounts by an independent government agency. Therefore, these distributions are much more likely to be properly accounted for in PGAS.

The establishment of Extractive Industries Transparency Initiative (EITI) Secretariat in PNG, responsible to report on the benefits derived from the extractive sector in both national level as well as sub-national level can resolve the challenges and improve the reporting requirements within this sector.

Benefits from the PNG LNG project

The MRDC has the state's 2.8% share of the LNG project. The other joint venture owners of the Project are: ExxonMobil (33.2%), Oil Search (29.0%), Kumul Petroleum holdings Limited (16.6%), Santos (13.5%), JX Nippon (4.7%), and Petromin (0.2%). It is not known at this stage how much Provincial Governments in project area, pipeline and plant areas would benefit out from this share.

The Kroton Equity is an additional Equity offered above what the State has already obtained in the PNG LNG Project now held by MRDC. Under the Umbrella Benefits Sharing Agreement (the Kokopo UBSA 2009), the additional equity (Kroton Equity) was offered to Provincial Governments as well as Project Landowners above the already offered; 2% share in the PNG LNG Project now held by MRDC. The status and outcome of that is yet to be clarified by the NEFC.

The tax credit scheme for resource companies to pay for infrastructure in provinces in lieu of company taxes to the IRC has the potential to amount to large additional sources of provincial revenue. These contributions are not dividends or royalties but constitute a share of the company's profits distributed direct to the Provincial Government. It would be useful to obtain individual provincial data on these amounts

10.0 Own-Source Revenues



“Own-source” (or locally-raised) revenues are local taxes, licenses, fees, charges, commercial receipts and other revenues raised and collected directly by the Provincial Government. The following analysis concerns the amounts collected by Provincial Governments rather than the validity or appropriateness of different own-source revenues.

Different Provincial Governments classify revenue types differently. For the purposes of the analysis in this report, three main categories of own-source revenues are used. These are:

- (i) **Licenses, fees and taxes:** which comprise the following main sub-categories;
 - a) **Motor vehicles:** includes driving licenses, motor and passenger vehicle registrations, and other motor vehicle related revenue such as traffic infringement notices and road usage taxes.
 - b) **Liquor:** liquor and entertainment related licensing.
 - c) **Land:** includes land rates and taxes, garbage and sanitation charges, and any other revenue derived from developed property.
 - d) **Other licenses, fees and taxes:** from any other sources not listed above, such as gambling related taxes and village court fees and fines.
- (ii) **Commercial receipts:** revenue derived from business activities such as rental income, user charges for electricity, and returns on investments from economic projects (revenue derived from mining and petroleum activities is not included, as it is included in the earlier chapter on this topic).
- (iii) **Other revenues:** any revenue derived from other sources not listed in (i) or (ii), or listed as miscellaneous or sundry.

10.1 Data Sources and Methodology of Determining Own Source Revenues

Own-source revenue data has been obtained from the PGAS “internal revenue” electronic summary files held by the DoF. The data available was for 19 Provincial Governments excluding NCD, ABG, Hela and Jiwaka.

For comparison purposes, information was also sourced from provincial budgets and financial statements. However in most cases provincial budget books generally do not have records of actual revenue collections. Audited financial statements are also not available until several years after the end of the relevant fiscal year.

The “internal revenue” electronic summary files include all revenues not paid to Provincial Governments from national agencies, and as a result these files also contain GST, and royalties and dividends from mining and petroleum projects. To enable an analysis of own-source revenues for the relevant fiscal year, the following data was removed from each PGAS file:

- Data on GST distributions, and royalties and dividends from mining and petroleum projects.
- Carried over revenue, including carried-over bank balances and National Government grants that have remained unspent from the previous year. Unlike National Government agencies, Provincial Governments do not return unspent funds to National Government consolidated revenue. This includes grants for goods and services, staffing, and development (such as SSGs and the DSG).
- Any revenues that are clearly not intended for goods and services, such as major asset sales (over K100,000 in revenue) and occasionally staff co-contributions to pay for leave fares.
- Any donor revenues.

10.2 Summary of Total Own-Source Revenues

Table summarises total own-source revenues collected by all Provincial Governments between 2010 and 2015.

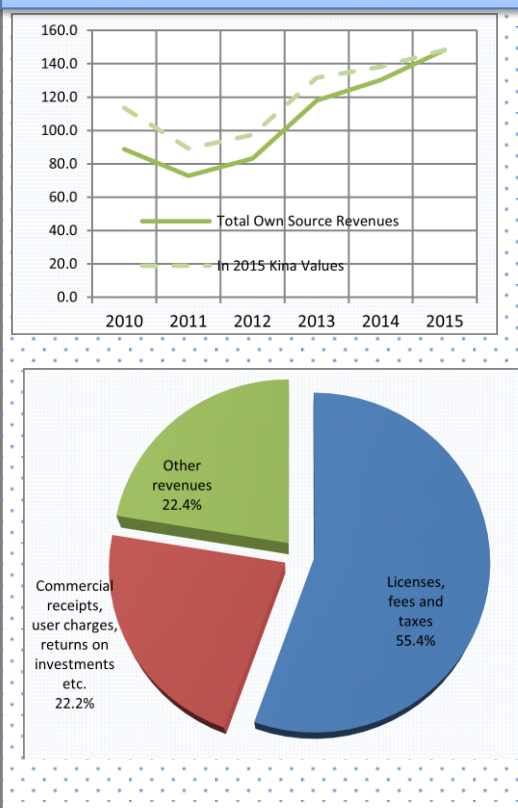
Table 15: Summary of own-source revenues (Kina millions)

	2010	2011	2012	2013	2014	2015	In 2015 Kina Value			
							Average 2013-2015	% of Total	Average Annual Increases	Provincial Trend
Licenses, fees and taxes	55.0	47.9	55.5	63.7	76.3	79.8	77.2	55.4%	7.3%	
Motor vehicles	17.4	21.0	24.4	23.6	29.9	27.1	28.3	36.7%	-0.7%	
Liquor	5.4	5.8	5.2	6.2	9.4	8.1	8.3	10.8%	13.2%	
Gambling	0.0	0.1	0.0	0.0	0.4	0.7	0.4	0.5%	19032%	
Land	26.0	13.9	13.5	19.5	20.8	23.7	22.5	29.2%	15.6%	
Other licenses, fees, and taxes	6.3	7.1	12.4	14.4	15.8	20.2	17.6	22.8%	11.8%	
Commercial receipts, user charges, returns on investments etc.	11.0	11.3	13.5	21.7	26.8	40.1	30.9	22.2%	37.4%	
Other revenues	22.8	13.6	14.4	32.7	27.1	28.4	31.2	22.4%	31.6%	
Total Own Source Revenues	88.8	72.8	83.3	118.1	130.3	148.3	139.4	100%	15.8%	

Table 15 and Figure 18 also reveals that own-source revenues have progressively increased from approximately K118 million in 2013 to K148 million in 2015 all at an average of 16% annually:

- Revenues collected from **licenses, fees and taxes** steadily increased from approximately **K64 million** in 2013 to **K80 million** in 2015, accounting for **55% of total own-source**. (*Annual average increase of 7.3%*)
 - Of this amount, revenues from **motor vehicles** comprises of **37%**, revenues from **land** with **29%**, other **licences fees and taxes** with **23%**, **liquor licences** with **11%** and **gambling** with **less than 1%**.
- Revenues collected from **commercial receipts, user charges and returns on investments** almost **doubled** from approximately **K22 million** in 2013 to **K40 million** in 2015. These revenues have been more or less **static** between **2010 and 2012** then **hugely increased by 37%** on average from 2013 to 2015. Revenues from this category however still comprised of a **smaller share** from **total Own Source Revenues** with **22.2%**.

Figure 18 Total Own-Source Revenues of Provincial Governments



- Other revenues** nominally have reduced from **K33 million** 2013 to **K28.4 million** in 2015. The revenue figures converted into **2015 Kina values** however still shows an average **annual increase of 31%**. Revenues from this category shared approximately **22.4 % of total Own Source Revenues**.
- Total own-source revenues** correspondingly have increased (16%) at an almost similar rate to GST revenues (17%). Although numerically GST revenues are much higher than Own Sources, this may reflect a similar trend where higher Own Source revenue generation will also lead to a higher GST collection.

10.3 Own-Source Revenues of Individual Provincial Governments

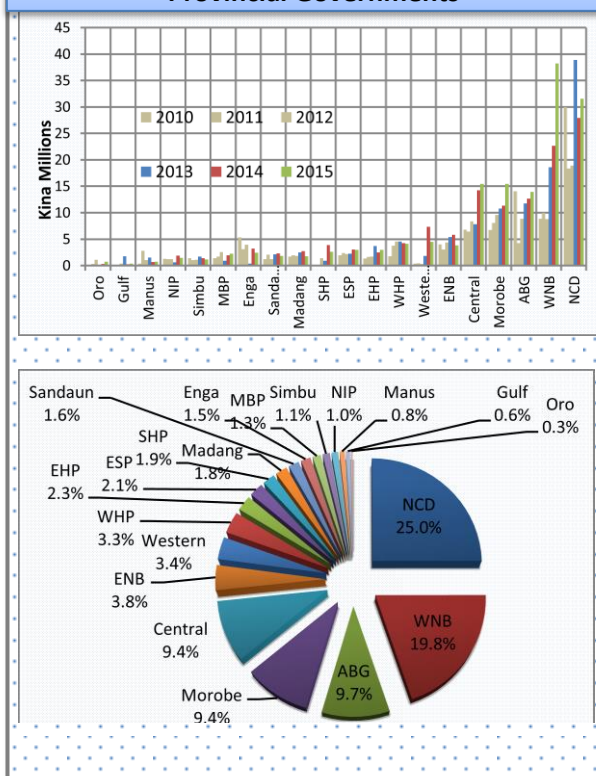
Table 16: Total Own-Source Revenues by Provincial Government between 2010 and 2015
(Kina millions)

	2010	2011	2012	2013	2014	2015	In 2015 Kina Value			
							Average 2013-2015	% of Total	Average Annual Increases	Provincial Trend
Western	364.1	409.7	301.6	1,811.8	7,318.3	4,477.6	4,751.8	3.4%	238%	
Gulf	38.9	110.2	360.4	1,785.8	250.2	359.2	872.1	0.6%	107%	
Central	6,777.2	6,432.6	8,392.6	7,839.4	14,214.9	15,449.0	13,086.5	9.4%	21%	
NCD	29,984.2	18,387.2	18,888.6	38,863.1	27,911.6	31,533.8	34,821.1	25.0%	24%	
MBP	1,423.3	1,734.8	2,574.2	894.4	1,929.8	2,222.1	1,755.1	1.3%	16%	
Oro	103.4	328.2	1,105.7	56.7	318.2	724.7	375.1	0.3%	151%	
SHP	166.6	69.4	1,374.6	947.5	3,913.5	2,590.1	2,598.3	1.9%	74%	
Hela										
Enga	5,337.1	3,119.4	3,925.9	390.9	3,196.0	2,421.2	2,081.6	1.5%	186%	
WHP	1,760.1	3,739.0	4,530.7	4,538.0	4,271.8	4,123.0	4,570.8	3.3%	-8%	
Jiwaka										
Simbu	1,425.2	1,069.9	1,089.6	1,697.3	1,412.6	1,175.0	1,521.8	1.1%	2%	
EHP	1,356.8	1,642.0	1,734.2	3,681.2	2,475.5	2,974.6	3,234.7	2.3%	27%	
Morobe	6,759.6	8,041.9	9,583.1	10,777.9	11,308.6	15,428.9	13,145.4	9.4%	12%	
Madang	1,676.6	1,943.2	1,809.1	2,470.7	2,747.9	1,771.1	2,479.8	1.8%	-1%	
ESP	1,918.3	2,398.1	2,161.1	2,281.0	3,048.2	2,984.7	2,919.9	2.1%	7%	
Sandaun	1,195.4	2,067.4	1,200.1	2,127.1	2,338.2	1,814.4	2,221.7	1.6%	16%	
Manus	372.0	2,768.1	1,061.0	1,546.2	679.9	759.9	1,068.4	0.8%	-5%	
NIP	1,270.9	1,210.2	1,201.0	626.6	1,862.0	1,483.5	1,385.4	1.0%	36%	
ENB	3,981.1	3,026.2	4,345.4	5,385.0	5,797.6	3,839.9	5,330.4	3.8%	-6%	
WNB	8,877.4	10,031.8	8,814.2	18,609.0	22,635.3	38,232.7	27,660.0	19.8%	59%	
ABG	14,058.7	4,246.7	8,835.4	11,754.5	12,642.0	13,945.6	13,485.2	9.7%	11%	
Total	88,846.9	72,775.9	83,288.7	118,084.3	130,271.9	148,310.9	139,364.9	100%	16%	

Table 16 and Figure 19 both show that between 2013 and 2015:

- NCD has collected the largest share comprising a quarter (25%) of total own-source revenues averaging K35 million annually.
- WNB collected about 20% (K28 million on average) increasing at 60% each year.
- Central Morobe and ABG each collected between 9%-10%
- all other provinces share 24% of own-source revenues, West New Britain (14%) Morobe (10%), Bougainville (9%), Central (8%), Enga (7%), East New Britain (6%), Western Highlands (3%) and East Sepik (3%). These seven Provincial Governments including NCD and Bougainville account for over three-quarters (over 80%) of total own-source revenues.
- Conversely, fourteen (14) Provincial Governments collected 4% or less of total own-source revenues (with ten collecting less than 2%).

Figure 19: Share of Own-Source Revenues to Provincial Governments



What are the causes of the differences in revenue collection levels between Provincial Governments?

- Some of the differences are due to the size of the local economy (i.e. the tax base), and this is why provinces with large GST collections also have large own-source revenue collections.
- Administrative effort to collect taxes varies between Provincial Governments reflecting the amount of resources put into revenue collection, particularly staffing and resources for travel around the province.⁴
- The local willingness to comply with tax laws. Residents may be more willing to comply with local tax laws if they observe and experience the benefits of government service delivery.
- Provincial Governments that entirely dependent on either a single revenue source or grants from national government available to them may also have less incentive to collect own-source revenue. This may be the case for Western (Royalties), Southern Highlands (Royalties) and Western Highlands Provincial Governments (GST), East Sepik (Grants).

From all other sources of revenues, Provincial Governments mostly have influence over its own-source revenue collection. Given the control they have, Provincial Governments ought to always seek ways of improving collection from existing revenue sources and broadening their revenue base

10.4 Types of Own-Source Revenue between Provincial Governments

Whilst in total, licences, fees and taxes are the commonly revenue generated by Provincial Governments, this is not the case on a province by province basis.

Figure 20: Own Source Revenues by Types to Provincial Government (2013-2015 average)

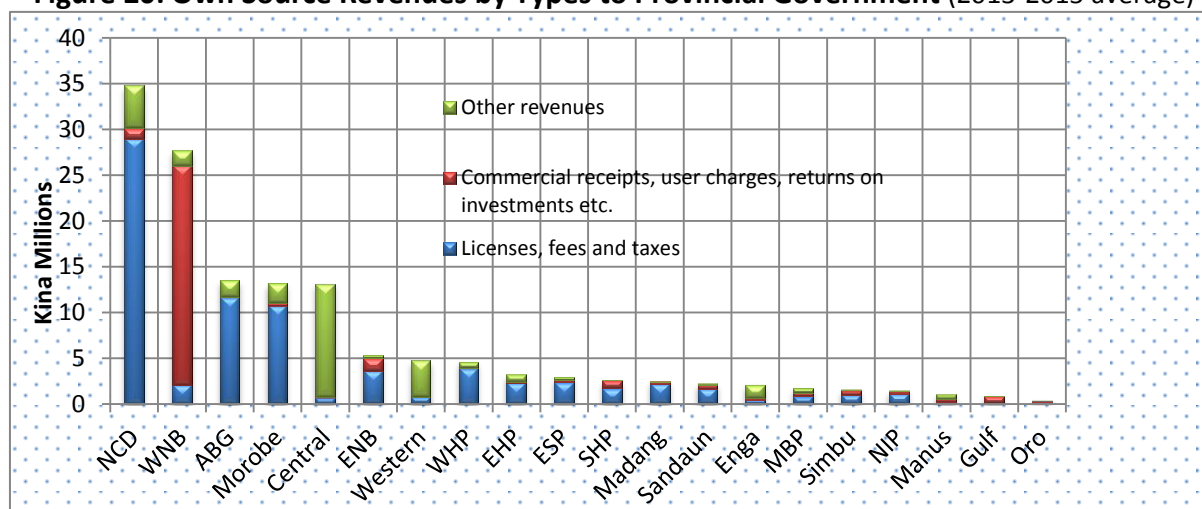


Figure 20 shows the 2013-2015 average collections for each Provincial Government by each major own-source revenue category. Figure 18 also reveals that:

- revenue collections from *licenses, fees and taxes* constitute the majority of revenue collections for 14 Provincial Governments:
- WNB and Gulf received more revenues from *commercial receipts, user charges, returns on investment etc.* (87% and 83% respectively). Four (4) other provinces SHP, ENB, Manus and Simbu each generates about a quarter or more of their own-source from this category.
- Central (94%), Western (83%), Enga (70%) and Manus (45%) collected more through *other revenues* category than from *licenses, fees and taxes* or *commercial receipts, user charges, returns on investment*.

⁴ For example, in 2006 GST collections in Eastern Highlands increased from K8.7 million to K15.5 million, partly as a result of increased tax compliance work by the IRC.

Licenses, Fees and Taxes

The *Organic Law on Provincial and Local-level Government* provides that Provincial Governments are permitted to raise their own taxes, fees and charges as revenues. Not all Provincial Governments are raising the same kinds of taxes, nor do they all have the capacity or sufficient revenue base to do so. Part of the reason for the differences is the complex legal arrangements as well as administrative structure requirements that underpin provincial tax collection.

Table 17 below shows the level of revenue collections in each province between 2010 and 2015

Table 17: Licenses, Fees and Taxes (Kina '000s)

	2010	2011	2012	2013	2014	2015	In 2015 Kina Value			
							Average 2013-2015	% of Total	Average Annual Increases	Provincial Trend
Western	344.0	277.2	297.4	153.5	1,267.8	936.8	817.3	1.1%	201%	
Gulf	38.1	90.6	78.6	130.8	70.9	178.9	133.3	0.2%	49%	
Central	375.2	172.1	68.6	387.2	1,001.8	524.7	672.8	0.9%	178%	
NCD	28,873.8	18,036.0	18,311.7	25,011.8	26,899.8	30,644.5	29,017.7	37.6%	13%	
MBP	872.6	765.3	990.2	491.6	1,185.9	837.4	880.9	1.1%	14%	
Oro	103.4	171.7	229.0	42.2	136.5	691.3	294.4	0.4%	168%	
SHP	166.6	69.0	274.6	947.5	2,593.5	1,415.3	1,740.3	2.3%	113%	
Hela								0.0%	0%	
Enga	381.6	442.5	377.2	207.3	482.3	693.3	478.6	0.6%	36%	
WHP	1,714.9	3,069.5	4,472.9	3,747.6	3,876.9	3,511.8	3,933.6	5.1%	-12%	
Jiwaka								0.0%	0%	
Simbu	1,319.5	949.4	758.0	967.8	1,024.6	1,020.6	1,062.0	1.4%	5%	
EHP	1,305.9	1,562.0	1,659.5	1,797.0	2,314.0	2,444.1	2,300.3	3.0%	8%	
Morobe	6,342.7	7,220.0	8,716.9	9,821.4	10,129.0	10,540.5	10,743.6	13.9%	1%	
Madang	1,533.7	1,811.6	1,727.9	2,345.5	2,312.2	1,587.1	2,218.0	2.9%	-4%	
ESP	1,600.1	2,017.1	1,731.2	1,313.5	2,824.5	2,723.4	2,394.1	3.1%	23%	
Sandaun	692.4	811.1	849.4	1,746.9	1,627.2	1,402.2	1,691.7	2.2%	22%	
Manus	149.1	243.2	229.0	226.6	308.9	270.3	283.4	0.4%	2%	
NIP	778.6	1,020.7	1,039.3	563.4	1,475.9	1,277.2	1,156.6	1.5%	27%	
ENB	2,842.2	2,648.3	2,839.7	3,288.6	3,576.8	3,426.3	3,628.5	4.7%	1%	
WNB	1,633.7	2,346.3	2,109.5	1,130.3	2,481.3	2,414.7	2,101.8	2.7%	17%	
ABG	3,926.3	4,146.6	8,703.5	9,375.8	10,728.1	13,243.2	11,690.5	15.1%	9%	
Total	54,994.4	47,870.1	55,464.2	63,696.3	76,317.6	79,783.6	77,239.5	100%	7%	

Figure 21: Average collections of licenses, fees and taxes by Provincial Governments (2010-2015 average)

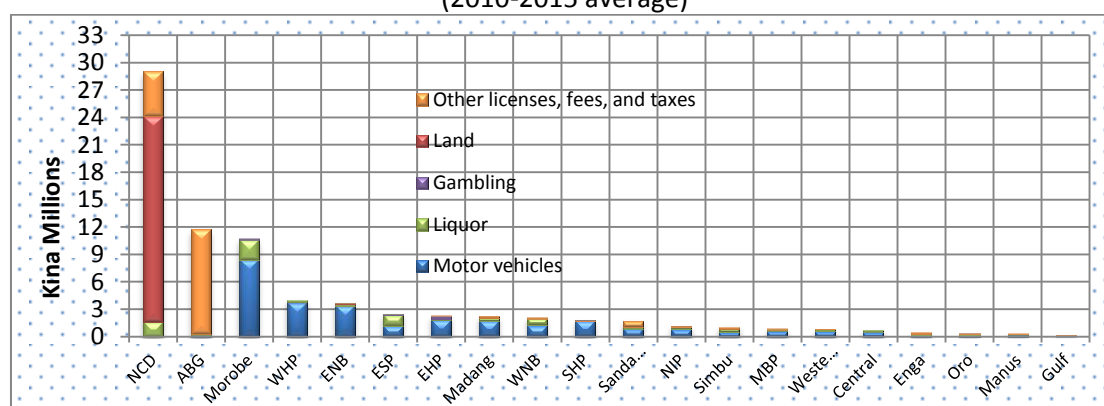


Figure 21 above depicts the sub-categories of the *licenses, fees and taxes* category by provinces. As indicated most provinces collected more from Motor Vehicles (37%), followed by Land (29%), Liquor (23%), Other licenses, fees and taxes (11%) and Gambling (1%).

- **Motor vehicle** related revenues are by far the most important type of *licenses, fees and taxes* in all provinces except NCD (where land taxes are most important), and ABG (where other licenses, fees and taxes most important).

The data also indicated that NCD does not receive any revenues from Motor Vehicles. Expectedly, such a large urban centres (City) may gain a sizeable amount in revenues had NCD has the function to do so. NEFC is yet to clarify if there are any agreements between NCD and Motor Vehicle Insurance Limited (MVIL) and (or) Central Province Traffic Authority (CPTA) since the two agencies operates within the boundaries of NCD.

- **Liquor** licencing and taxes are the next most important sub-category of *licenses, fees and taxes* in most provinces. ESP (49%) Simbu (40%), WNB (35%) and Gulf (34%) collected more revenues from this sub-category compared to revenues from Motor vehicle, Land and Others.
- **Land** related revenue collections are only important in NCD (most important) and East New Britain and New Ireland Provinces (second most important).
- **Other licenses, fees and taxes** are mostly important in ABG (mainly group wage tax). Other provinces include Sandaun (SPG Taxes) and Enga (Tender board and Survey fees).

Commercial Receipts

This revenue category consists of revenue derived from business activities such as rental income, user charges such as for electricity, and returns on investments from economic projects (excluding revenue derived from mining and petroleum activities).

Table 18 below shows the level of revenue collections in each province between 2010 and 2015.

Table 18: Commercial receipts, user charges, returns on investments (Kina '000s)

	2010	2011	2012	2013	2014	2015	In 2015 Kina Value			
							Average 2013-2015	% of Total	Average Annual Increases	Provincial Trend
Western	16.8	0.3	0.0	0.0	0.0	0.0	0.0	0.0%	0.0%	
Gulf	0.0	18.4	272.8	1,655.0	153.6	167.0	725.2	2.3%	129.8%	
Central	54.6	79.8	105.5	35.1	91.1	81.4	72.3	0.2%	20.9%	
NCD	933.2	186.2	340.2	2,492.0	400.2	177.1	1,126.9	3.6%	151.7%	
MBP	471.0	732.5	955.1	129.9	365.1	601.7	377.8	1.2%	45.2%	
Oro	0.0	156.5	258.6	14.5	29.5	32.9	26.8	0.1%	48101.0%	
SHP	0.0	0.4	1,100.0	0.0	1,320.0	1,120.0	839.7	2.7%	-40.0%	
Hela								0.0%	0.0%	
Enga	225.4	422.7	574.3	43.1	182.6	168.7	136.8	0.4%	65.6%	
WHP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%	0.0%	
Jiwaka								0.0%	0.0%	
Simbu	104.3	86.0	250.1	719.7	379.3	127.2	444.0	1.4%	18.6%	
EHP	39.8	73.8	68.4	77.4	161.5	238.9	165.5	0.5%	48.6%	
Morobe	106.9	475.1	710.5	205.7	193.4	383.5	272.6	0.9%	1.3%	
Madang	137.1	102.7	63.3	100.8	416.3	175.7	243.1	0.8%	94.7%	
ESP	93.7	171.6	152.8	136.6	214.3	226.0	201.9	0.7%	11.3%	
Sandaun	443.6	827.3	350.6	380.2	350.7	381.9	392.6	1.3%	-2.1%	
Manus	212.3	231.5	213.9	194.3	228.4	464.4	307.7	1.0%	30.0%	
NIP	137.5	14.4	161.2	63.2	380.6	206.4	226.8	0.7%	120.3%	
ENB	1,041.5	60.1	1,233.1	1,724.1	1,846.2	282.9	1,387.6	4.5%	-16.9%	
WNB	7,013.3	7,685.4	6,654.8	13,684.6	20,128.0	35,310.0	23,969.2	77.5%	67.1%	
ABG	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%	0.0%	
Total	11,031.1	11,324.6	13,465.0	21,656.2	26,840.8	40,145.7	30,916.4	100%	37.4%	

In summary:

- WNB collected a huge bulk of this category of revenue, accounting for over 77% of the total (K24 million on average). Almost all of WNB's own-source revenue is from Business receipts generated through Trust Investments & Dividends.
- ENB collected about 5% of this revenue type (K1.4million on average). ENB Commercial receipts on average however have reduced at about 17% on average between 2013 and 2015.

- Six (6) provinces NCD (4%), SHP (3%), Gulf (2.3%), Simbu (1.4%), Sandaun (1.3%), MBP (1.2%) together share about 13% of this revenue type.
- Remaining twelve (12) Provincial Governments collected K300,000 or less with each comprising less than 1% of the total revenue type on average.

Other Own-Source Revenues

This source of revenue represents revenue items allocated to the sundry or miscellaneous categories in the PGAS files. These revenue sources generally represent either licenses, fee or tax or a commercial type of revenue that has not been properly allocated to a revenue source.

Table 19 below shows the level of revenue collections from any other own-source revenues by each Provincial Government between 2010 and 2015.

Table 19: Other own-source revenue collections (Kina '000s)

	2010	2011	2012	2013	2014	2015	In 2015 Kina Value			
							Average 2013-2015	% of Total	Average Annual Increases	Provincial Trend
Western	3.3	132.3	4.2	1,658.3	6,050.5	3,540.8	3,934.5	12.6%	12485%	
Gulf	0.8	1.1	9.1	0.0	25.7	13.2	13.5	0.0%	-50%	
Central	6,347.4	6,180.7	8,218.5	7,417.1	13,122.0	14,842.9	12,341.4	39.5%	20%	
NCD	177.2	165.0	236.8	11,359.3	611.6	712.3	4,676.5	15.0%	1462%	
MBP	79.8	237.0	629.0	273.0	378.8	783.1	496.4	1.6%	23%	
Oro	0.0	0.1	618.1	0.1	152.2	0.5	54.0	0.2%	48101%	
SHP	0.0	0.0	0.0	0.0	0.0	54.8	18.3	0.1%	0%	
Hela								0.0%	0%	
Enga	4,730.1	2,254.2	2,974.3	140.5	2,531.1	1,559.1	1,466.2	4.7%	492%	
WHP	45.2	669.5	57.8	790.5	394.9	611.2	637.2	2.0%	399%	
Jiwaka								0.0%	0%	
Simbu	1.4	34.6	81.5	9.8	8.7	27.1	15.8	0.1%	30%	
EHP	11.1	6.1	6.2	1,806.8	0.0	291.6	768.9	2.5%	9117%	
Morobe	309.9	346.9	155.7	750.8	986.2	4,504.8	2,129.2	6.8%	238%	
Madang	5.7	28.9	18.0	24.4	19.4	8.3	18.7	0.1%	-18%	
ESP	224.5	209.4	277.1	830.9	9.4	35.3	324.0	1.0%	114%	
Sandaun	59.4	429.0	0.1	0.0	360.2	30.3	137.4	0.4%	-64%	
Manus	10.6	2,293.5	618.1	1,125.4	142.6	25.2	477.2	1.5%	-33%	
NIP	354.8	175.1	0.6	0.0	5.5	0.0	1.9	0.0%	-67%	
ENB	97.5	317.8	272.6	372.3	374.7	130.7	314.4	1.0%	-14%	
WNB	230.5	0.0	49.8	3,794.1	26.0	508.0	1,589.1	5.1%	2933%	
ABG	10,132.4	100.1	131.9	2,378.7	1,913.8	702.4	1,794.7	5.8%	510%	
Total	22,821.4	13,581.2	14,359.4	32,731.8	27,113.4	28,381.6	31,208.9	100%	32%	

Noted from Table 19 above:

- Central collected bulk of this category of revenue, accounting for over 40% of the total (K12 million on average). Almost all of Central own-source revenue (94%) is from Other Revenues generated from the GST sharing arrangements Central have with NCD.
- Six (6) provinces NCD (15%), Western (13%), Morobe (7%), ABG (6%), WNB, (5%) and Enga (5%) together all share about 50% of total *other own-source revenues*.
- The remaining 10% of total *other own-source revenues* is shared by other 13 provincial governments.

Subject to the strength of the local economy and the importance of creating incentives for economic development, provincial governments should attempt to increase own-source revenue collections annually.

An over-riding comment on own-source revenue data quality is required before reporting the findings. While PGAS data is the best data available and recent data that the NEFC can obtain on own-source revenues, the NEFC has some reservations about how complete a picture the PGAS data reflects of the own-source revenues of provincial governments (given that the NEFC has found that not all revenues are being recorded in PGAS).

Appendix A provides a province by province analysis of own-source revenues per Provincial Government between 2010 and 2015, including showing the above revenues that have been removed from PGAS files to enable a meaningful comparison.

Appendices

Appendix A: Provincial Government Revenue Tables

The following tables provide summaries of Provincial Government revenues between 2010 and 2015. The first table shows total Provincial Government revenues for all Provincial Governments. The following tables are for individual Provincial Governments:

- **Summary of Revenues** between 2010 and 2015. This table lists the major revenue types received by each Provincial Government (as summarised in chapters 3 to 6).
- **PGAS Internal Revenue Summary Files** between 2010 and 2015. This is the raw data reported by each Provincial Government to the DoF (classified into standard categories by the NEFC). This data also shows;
 - What **non own-source revenues** the NEFC has removed from the PGAS internal revenue files in order to obtain own-source revenue estimates. The detailed **actual** data on each revenue item that makes up each own-source revenue category used by the NEFC. Each revenue item is listed under the relevant categories as they are described in the PGAS summary file.
 - Data for the **NCD** and **ABG** was directly sourced from the respective administrations.
 - PGAS Internal Revenue Summary Files for Hela and Jiwaka were unavailable at the time of the study

SUMMARY TABLE OF COLLECTIVE TOTAL PROVINCIAL GOVERNMENT REVENUES 2010-2015

TOTAL PROVINCIAL GOVERNMENT: SUMMARY OF REVENUES (KINA)						
	2010	2011	2012	2013	2014	2015
National Grants	170,563,716	211,004,335	261,454,584	342,544,810	408,972,141	457,063,537
Administration Grant	8,819,778	9,164,900	10,230,409	11,136,955	25,416,656	30,150,032
Other Services Delivery Grant	15,507,152	17,151,600	22,929,095	41,540,535	43,003,805	46,290,966
Health Function Grant	39,263,251	51,918,800	64,121,884	73,557,614	89,418,933	98,874,487
Education Function Grant	39,121,210	46,606,300	59,498,742	78,896,600	96,262,891	108,567,682
Transport Infrastructure Maintenance Function Grant	45,076,915	61,696,100	79,725,350	107,772,081	126,182,089	139,457,252
Village Court Function Grant	2,267,900	2,318,900	3,539,606	5,261,725	6,200,564	7,333,228
Land Mediation Function Grant <i>(Introduced in 2015)</i>						1,324,000
Primary Production Function Grant	11,410	11,935	38,997	17,000	15,603	16,790
ABG Goods & Services Grant	17,293,400	18,676,900	17,652,200	20,644,000	19,148,100	21,330,800
NCD Town Services Grant	3,202,700	3,458,900	3,718,300	3,718,300	3,323,500	3,718,300
GST distribution from IRC	236,631,586	265,732,070	273,641,748	357,489,235	442,507,949	506,579,164
Bookmakers distribution from IRC	5,706,809	6,862,972	9,172,517	8,821,368	9,510,139	8,761,736
Mining and Petroleum Royalties and Dividends	152,208,368	121,742,153	129,648,960	117,784,089	101,584,814	73,846,995
Royalties	102,974,368	85,508,153	99,143,960	117,284,089	94,404,814	70,251,553
Dividends	49,234,000	36,234,000	30,505,000	500,000	7,180,000	3,595,442
Own Source Revenues	88,846,928	72,775,890	83,288,708	118,084,302	130,271,876	148,310,879
Licenses, fees and taxes	54,994,444	47,870,122	55,464,244	63,696,343	76,317,631	79,783,597
Motor vehicles	17,390,551	20,978,239	24,418,523	23,579,162	29,871,997	27,062,545
Liquor	5,373,544	5,777,902	5,165,900	6,182,095	9,417,906	8,061,356
Gambling	300	50,760	1,656	700	421,222	749,794
Land	25,951,777	13,937,732	13,485,066	19,534,281	20,849,862	23,738,295
Other licenses, fees, and taxes	6,278,272	7,125,489	12,393,099	14,400,104	15,756,644	20,171,607
Commercial Receipts	11,031,052	11,324,592	13,465,050	21,656,200	26,840,829	40,145,694
Other Revenues	22,821,433	13,581,177	14,359,414	32,731,760	27,113,416	28,381,588
TOTAL REVENUES	648,250,597	671,254,448	748,034,000	935,902,436	1,083,336,780	1,185,800,576
(a) Land Mediation Function Grant was introduced in 2015						
(b) Bougainville Goods and Services Grant consist of the Recurrent Goods & Services. It excludes Police Goods & Services and National Function & Powers						
(c) NCD does not receive Function Grants, however only receives Town Services Grant						

Western Provincial Government

WESTERN PROVINCIAL GOVERNMENT: SUMMARY OF REVENUES (KINA)						
	2010	2011	2012	2013	2014	2015
National Grants	4,209,331	4,459,200	3,890,737	3,074,200	3,074,200	6,969,198
Administration Grant	141,000	141,000	84,154	43,327	43,327	89,368
Other Services Delivery Grant	141,000	141,000	84,154	43,327	43,327	212,146
Health Function Grant	879,096	879,100	822,254	781,427	781,427	1,792,111
Education Function Grant	893,513	893,500	779,807	657,327	657,327	1,590,266
Transport Infrastructure Maintenance Function Grant	1,409,022	1,658,900	1,374,669	1,048,054	1,048,054	2,505,771
Village Court Function Grant	127,600	127,600	127,600	86,773	86,773	106,209
Land Mediation Function Grant (<i>Introduced in 2015</i>)						65,000
Primary Production Function Grant (formally Derivation Grant)	618,100	618,100	618,100	413,966	413,966	608,328
GST distribution from IRC	2,897,969	2,648,000	3,216,563	5,336,290	5,150,228	7,000,712
Bookmakers distribution from IRC	0.0	0.0	0.0	0.0	0.0	0.0
Mining and Petroleum Royalties and Dividends	86,400,000	66,500,000	54,700,000	42,900,000	26,400,000	9,300,000
Royalties	46,800,000	42,900,000	32,700,000	42,900,000	22,600,000	9,300,000
Dividends	39,600,000	23,600,000	22,000,000	0	3,800,000	0
Own Source Revenues	364,131	409,749	301,644	1,811,788	7,318,284	4,477,634
Licenses, fees and taxes	343,985	277,172	297,414	153,500	1,267,814	936,810
Motor vehicles	262,045	171,402	185,334	0	1,015,584	701,110
Liquor	81,940	105,770	88,180	126,700	235,770	235,700
Gambling	0	0	0	0	0	0
Land	0	0	0	0	0	0
Other licenses, fees, and taxes	0	0	23,900	26,800	16,460	0
Commercial Receipts	16,825	256	0	0	0	0
Other Revenues	3,321	132,321	4,230	1,658,288	6,050,470	3,540,824
TOTAL REVENUES	93,871,431	74,016,949	62,108,944	53,122,278	41,942,712	27,747,544

WESTERN: PGAS INTERNAL REVENUE SUMMARY (KINA)						
	2010	2011	2012	2013	2014	2015
TOTAL NON OWN-SOURCE REVENUES REMOVED FROM PGAS	36,903,587	27,533,094	34,595,424	12,658,339	19,118,926	12,539,218
Revenue from former years	3,524,176	0	0	0	0	0
Former Years Appropriation	2,795	0	0	0	0	0
2006 National Grant Carryover	3,521,381	0	0	0	0	0
Revenues for development purposes (e.g. SSGs)	0	0	0	0	0	0
GST/VAT distributions from IRC	2,415,000	1,103,335	3,216,600	3,112,837	5,150,232	7,001,076
VAT/GST	2,415,000	1,103,335	3,216,600	3,112,837	5,150,232	7,001,076
Mining and petroleum royalties and dividends	30,962,411	26,429,759	31,377,824	9,545,502	13,968,694	5,538,142
Mining Royalties	26,962,411	26,429,759	21,377,824	9,545,502	13,968,694	5,538,142
Dividends (MROT2)	4,000,000	0	10,000,000	0	0	0
Other, including major asset sales and staffing revenue	2,000	0	1,000	0	0	0
Housing Rents	2,000	0	1,000	0	0	0
TOTAL OWN-SOURCE REVENUES	364,131	409,749	301,644	1,811,788	7,318,284	4,477,634
Licenses, fees and taxes	343,985	277,172	297,414	153,500	1,267,814	936,810
Motor vehicles	262,045	171,402	185,334	0	1,015,584	701,110
Motor Vehicle Registration	262,045	171,402	185,334	0	1,015,584	701,110
Liquor	81,940	105,770	88,180	126,700	235,770	235,700
Liquor Licensing Fees	81,940	105,770	88,180	126,700	235,770	235,700
Gambling	0	0	0	0	0	0
Gambling Fees	0	0	0	0	0	0
Land	0	0	0	0	0	0
Other licenses, fees, and taxes	0	0	23,900	26,800	16,460	0
Court Fines and Forfeitures	0	0	0	0	0	0
Tender Board Fees	0	0	23,900	26,800	16,460	0
Forestry Levies	0	0	0	0	0	0
Commercial receipts, user charges, returns on investments etc.	16,825	256	0	0	0	0
Minor Power House	16,825	256	0	0	0	0
Ramu Sugar Dividend	0	0	0	0	0	0
Other revenues	3,321	132,321	4,230	1,658,288	6,050,470	3,540,824
Miscellaneous	3,321	132,321	4,230	1,658,288	6,050,470	3,540,824
TOTAL PGAS INTERNAL REVENUES	37,267,718	27,942,842	34,897,067	14,470,127	26,437,210	17,016,852

Gulf Provincial Government

GULF: SUMMARY OF REVENUES (KINA)						
	2010	2011	2012	2013	2014	2015
National Grants	7,030,595	9,889,400	12,646,621	16,439,823	21,443,951	22,498,047
Administration Grant	346,950	546,000	711,433	749,365	1,989,969	2,023,053
Other Services Delivery Grant	455,136	1,055,300	1,468,883	2,568,912	2,568,912	2,570,566
Health Function Grant	1,946,044	2,560,800	3,250,105	3,857,018	5,010,811	5,256,065
Education Function Grant	2,154,758	2,433,600	2,847,183	2,998,911	3,906,810	4,098,748
Transport Infrastructure Maintenance Function Grant	1,545,906	2,403,600	3,230,766	5,051,503	6,023,082	6,225,682
Village Court Function Grant (Introduced in 2007)	49,000	100,000	100,000	175,864	329,109	430,409
Land Mediation Function Grant (<i>Introduced in 2015</i>)						65,000
Primary Production Function Grant (formally Derivation Grant)	532,800	790,100	1,038,250	1,038,250	1,615,259	1,828,523
GST distribution from IRC	196,861	51,100	249,532	305,465	332,636	231,758
Bookmakers distribution from IRC	0.0	0.0	0.0	0.0	0.0	0.0
Mining and Petroleum Royalties and Dividends	4,175,000	4,175,000	2,505,000	500,000	50,000	1,762,000
Royalties						
Dividends	4,175,000	4,175,000	2,505,000	500,000	50,000	1,762,000
Own Source Revenues	38,926	110,166	360,447	1,785,834	250,227	359,159
Licenses, fees and taxes	38,101	90,634	78,620	130,823	70,904	178,940
Motor vehicles	28,640	47,421	31,035	49,566	45,710	117,533
Liquor	9,050	40,670	46,810	52,350	23,150	55,050
Gambling	0	0	0	0	0	0
Land	0	0	0	0	0	0
Other licenses, fees, and taxes	411	2,543	775	28,907	2,044	6,357
Commercial Receipts	0	18,432	272,752	1,655,011	153,600	166,987
Other Revenues	825	1,100	9,075	0	25,723	13,232
TOTAL REVENUES	11,441,382	14,225,666	15,761,600	19,031,121	22,076,814	24,850,964

GULF: PGAS INTERNAL REVENUE SUMMARY (KINA)						
	2010	2011	2012	2013	2014	2015
TOTAL NON OWN-SOURCE REVENUES REMOVED FROM PGAS	625	591,957	449,504	744,434	355,747	2,000,603
Revenue from former years	0.0	445,384.1	0.0	0.0	0.0	0.0
Recovery of Former Years Appro	0.0	0.0	0.0	0.0	0.0	0.0
General Account Surplus Balance	0.0	445,384.1	0.0	0.0	0.0	0.0
Revenues for development purposes (e.g. SSGs)	0	0	0	0	0	0
Recovery of Former Years SSG	0	0	0	0	0	0
GST/VAT distributions from IRC	0.0	51,096.0	249,504.0	229,095.0	300,390.0	231,804.0
Goods & Services Tax	0.0	51,096.0	249,504.0	229,095	300,390	231,804
Mining and petroleum royalties and dividends	0.0	0.0	200,000.0	500,000.0	50,000.0	1,762,000.0
Oil Investments (Kutubu)	0.0	0.0	0.0	0.0	0.0	0.0
Gulf Oil Trust	0.0	0.0	0.0	0.0	0.0	0.0
Petroleum Resources Kutubu Div	0.0	0.0	0.0	0.0	0.0	0.0
MRDC			200,000.0	500,000.0	50,000.0	1,762,000.0
Other, including major asset sales and staffing revenue	625.0	95,476.5	0.0	15,339.4	5,357.3	6,799.0
Rental Fees	625	95,477				
Repaid Cash Advances				8,060	405	10
Repaid Salary				877	75	78
10% Leave Fares Contribution				6,403	4,877	6,711
Total Own Source Revenues	38,926	110,166	360,447	1,785,834	250,227	359,159
Licenses, fees and taxes	38,101.00	90,633.70	78,619.50	130,823.00	70,904.00	178,940.00
Motor vehicles	28,640.00	47,420.70	31,034.50	49,566.00	45,710.00	117,533.00
Veh Regist & Licence Fees	28,640.0	47,420.7	31,034.5	20,725.0	9,250.0	8,275.0
Road Usage Fees	0.0	0.0	0.0	0.0	0.0	0.0
Traffic Infringement Notices Fines				105.0	1,820.0	9,100.0
Driving Permit & Identity Cards Fees				4,620.0	4,300.0	3,795.0
PMV Registration Fees				24,116.0	30,340.0	96,363.0
Liquor	9,050.0	40,670.0	46,810.0	52,350.0	23,150.0	55,050.0
Liquor Licences Fees	9,050.0	40,670.0	46,810.0	52,350.0	23,150.0	55,050.0
Gambling	0.0	0.0	0.0	0.0	0.0	0.0
Other licenses, fees, and taxes	411.0	2,543.0	775.0	28,907.0	2,044.0	6,357.0
Village Court Fines	411.0	2,543.0	775.0	3,870.0	2,044.0	6,357.0
Tender fee				25,037.0	0.0	0.0
Land	0.0	0.0	0.0	0.0	0.0	0.0
Sanitation & Garbage Charges	0.0	0.0	0.0	0.0	0.0	0.0

	2010	2011	2012	2013	2014	2015
Commercial receipts, user charges, returns on investments etc.	0.0	18,432.0	272,752.5	1,655,010.5	153,600.0	166,987.0
Housing Rental			96,296.8	0.0	0.0	0.0
PROPERTY RENTAL			48,017.1	0.0	7,056.6	0.0
Provincial Government Housing Rentals				74,741.8	72,647.3	91,181.0
Minor Power House Fees	0.0	0.0	0.0	0.0	0.0	0.0
IBD Interests	0.0	0.0	0.0	0.0	0.0	0.0
Gulf Invest Corporation Receipt	0.0	0.0	0.0	0.0	0.0	0.0
Receipt from BSP Capital (Investment Dividend)	0.0	0.0	0.0	0.0	0.0	0.0
M.V. Purari	0.0	0.0	0.0	0.0	0.0	0.0
VAILALA TIMBER BLOCK 1 TRUST			88,894.8	50,533.4	58,126.1	47,131.0
EIA TIMBER AUTHORITY AREA			5,461.4	0.0	0.0	0.0
Sale of Produce	0.0	18,432	34,082	10,150	0	0
Sale of Croc Skins/Live Crocodiles	0.0	0.0	0.0	0.0	0.0	0.0
Sale of Assets	0.0	0.0	0.0	95.0	20.0	0.0
Other Sales				27,490.5	0.0	17,475.0
Hire of Prov Gov't Equipment				1,492,000.0	15,750.0	11,200.0
Other revenues	825	1,100	9,075	0	25,723	13,232
General Advances	0.0	0.0	925.0	0.0	0.0	0.0
Sundry Debtors	0	0	0	0	19,297	0
Sundry Receipts	825	1,100	8,150	0	6,426	13,232
TOTAL PGAS INTERNAL REVENUES	39,551	702,122	809,951	2,530,268	605,974	2,359,762

Central Provincial Government

CENTRAL: SUMMARY OF REVENUES (KINA)						
	2010	2011	2012	2013	2014	2015
National Grants	10,454,527	11,129,600	13,742,091	21,859,464	26,582,304	31,589,940
Administration Grant	404,750	404,900	404,900	1,054,695	1,564,314	2,038,804
Other Services Delivery Grant	1,229,897	1,270,400	1,531,649	2,596,055	2,950,667	3,270,737
Health Function Grant	2,278,994	2,407,200	3,060,323	4,277,929	5,230,108	6,253,960
Education Function Grant	2,904,019	3,005,300	3,083,675	3,570,717	4,998,331	6,538,596
Transport Infrastructure Maintenance Function Grant	3,225,366	3,562,800	4,947,420	8,590,685	9,718,707	10,913,613
Village Court Function Grant	153,900	153,900	180,025	423,546	423,546	423,546
Land Mediation Function Grant <i>(Introduced in 2015)</i>						65,000
Primary Production Function Grant	257,600	325,100	534,099	1,345,837	1,696,631	2,085,684
GST distribution from IRC	750,363	962,800	962,800	2,246,175	2,770,453	1,982,650
Bookmakers distribution from IRC	0.0	0.0	0.0	0.0	0.0	0.0
Mining and Petroleum Royalties and Dividends	357,000	200,100	101,100	2,468,913	56,506	0
Royalties	357,000	200,100	101,100	2,468,913	56,506	0
Dividends						
Own Source Revenues	6,777,165	6,432,567	8,392,556	7,839,354	14,214,904	15,448,989
Licenses, fees and taxes	375,220	172,130	68,561	387,200	1,001,800	524,746
Motor vehicles	325,000	100,000	0	270,000	789,500	375,000
Liquor	50,220	72,130	68,561	117,200	212,300	149,746
Gambling	0	0	0	0	0	0
Land	0	0	0	0	0	0
Other licenses, fees, and taxes	0	0	0	0	0	0
Commercial Receipts	54,576	79,785	105,495	35,054	91,055	81,368
Other Revenues	6,347,369	6,180,652	8,218,500	7,417,100	13,122,049	14,842,875
TOTAL REVENUES	18,339,055	18,725,067	23,198,547	34,413,906	43,624,166	49,021,579

CENTRAL: PGAS INTERNAL REVENUE SUMMARY (KINA)						
	<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>
TOTAL NON OWN-SOURCE REVENUES REMOVED FROM PGAS	3,455,963	3,050,980	2,096,171	2,174,475	2,539,581	1,982,700
Revenue from former years	3,450,963	692,317	96,167	0	0	0
Previous Years Carry-Over	3,128,190	620,833	0	0	0	0
PPII Project Carry Over Phs 1	322,773	71,483	96,167	0	0	0
Revenues for development purposes (e.g. SSGs)	0	1,600,000	0	0	0	0
Impact Infrastr.Proj-CP		1,600,000	0	0	0	0
GST/VAT distributions from IRC	0	758,663	2,000,004	1,684,629	2,539,581	1,982,700
V.A.T. (Goods & Services Tax)	0	758,663	2,000,004	1,684,629	2,539,581	1,982,700
Mining and petroleum royalties and dividends	0	0	0	0	0	0
Mining Royalties						
Other, including major asset sales and staffing revenue	5,000	0	0	489,846	0	0
Property Rentals	5,000	0	0	40,000	0	0
PPII Third Phase				449,846	0	0
Total Own Source Revenues	6,777,165	6,432,567	8,392,556	7,839,354	14,214,904	15,448,989
Licenses, fees and taxes	375,220.0	172,130.0	68,560.5	387,200.0	1,001,800.0	524,746.1
Motor vehicles	325,000.0	100,000.0	0.0	270,000.0	789,500.0	375,000.0
Motor Vehicle Reg. & Licensing	325,000	100,000	0	270,000	789,500	375,000
Liquor	50,220.0	72,130.0	68,560.5	117,200.0	212,300.0	149,746.1
Liquor Licenses	50,220	72,130	68,561	117,200	212,300	149,746
Gambling	0.0	0.0	0.0	0.0	0.0	0.0
Gaming Machine Proceeds	0.0	0.0	0.0	0.0	0.0	0.0
Book-Makers Turn-Over Tax	0.0	0.0	0.0	0.0	0.0	0.0
Land	0.0	0.0	0.0	0.0	0.0	0.0
Other licenses, fees, and taxes	0.0	0.0	0.0	0.0	0.0	0.0
Commercial receipts, user charges, returns on investments etc.	54,576	79,785	105,495	35,054	91,055	81,368
Forestry Levies	54,576	79,785	105,495	35,054	91,055	81,368
Other revenues	6,347,369	6,180,652	8,218,500	7,417,100	13,122,049	14,842,875
Miscellaneous	5,500	45,000	112,492	101,000	168,950	142,875
Sale of Gerehu Property	243,340	0	0	0	0	0
LEAVE CONTR 10%	146	0	0	0	0	0
NCDC Sales Tax -V.A.T. Sharing	6,098,383	6,135,652	8,106,009	7,316,100	12,953,099	14,700,000
TOTAL PGAS INTERNAL REVENUES	10,233,128	9,483,547	10,488,727	10,013,829	16,754,485	17,431,689

National Capital District

NCD: SUMMARY OF REVENUES (KINA)						
	2010	2011	2012	2013	2014	2015
National Grants	3,202,700	3,458,900	3,718,300	3,718,300	3,323,500	3,718,300
Administration Grant						
Other Services Delivery Grant						
Health Function Grant						
Education Function Grant						
Transport Infrastructure Maintenance Function Grant						
Village Court Function Grant						
Land Mediation Function Grant <i>(Introduced in 2015)</i>						
Primary Production Function Grant						
Town Services Grant	3,202,700	3,458,900	3,718,300	3,718,300	3,323,500	3,718,300
GST distribution from IRC	149,029,715	155,825,770	149,649,363	202,460,703	241,626,484	274,173,955
Bookmakers distribution from IRC	3,107,122	4,053,803	5,892,042	5,565,748	6,146,877	4,697,322
Mining and Petroleum Royalties and Dividends	0.0	0.0	0.0	0.0	0.0	0.0
Own Source Revenues	29,984,164	18,387,186	18,888,650	38,863,089	27,911,581	31,533,825
Licenses, fees and taxes	28,873,815	18,035,970	18,311,691	25,011,787	26,899,765	30,644,456
Motor vehicles	0	0	0	0	0	0
Liquor	1,340,368	1,391,815	1,411,932	1,498,292	1,912,392	1,250,509
Gambling	0	0	0	0	0	0
Land	25,213,841	13,847,795	13,453,345	19,529,633	20,811,244	23,681,414
Other licenses, fees, and taxes	2,319,607	2,796,360	3,446,415	3,983,862	4,176,129	5,712,534
Commercial Receipts	933,157	186,235	340,153	2,492,041	400,234	177,107
Other Revenues	177,192	164,981	236,805	11,359,261	611,582	712,261
TOTAL REVENUES	185,323,702	181,725,659	178,148,355	250,607,841	279,008,442	314,123,402

NCD: INTERNAL REVENUE SUMMARY (KINA)						
	2010	2011	2012	2013	2014	2015
TOTAL NON OWN-SOURCE REVENUES	161,757,309	157,718,993	149,342,509	202,460,703	241,626,488	274,174,854
Revenue from former years	0	0	0	0	0	0
Revenues for development purposes (e.g. SSGs)	0	0	0	0	0	0
GST/VAT distributions from IRC	149,057,204	156,236,000	149,339,134	202,460,703	241,626,484	274,173,955
GST	149,029,704	156,236,000	149,339,134	202,460,703	241,626,484	274,173,955
Sales Tax Arrears	27,500					
Bookmakers Tax	3,107,122	4,053,803	5,892,042	5,565,748	6,146,877	4,697,322
Bookmakers	3107122	4053803	5892042	5565748	6146877	4697322
Mining and petroleum royalties and dividends	-	-	-	-	-	-
Other, including major asset sales and staffing revenue	9,592,983	6,130,993	26,409	19,578	25,365	29,219
NCDC Staff Leave Fares Contribution			23,035	19,578	25,361	28,320
NCDC Staff Rent			3,374		4	898
Interest on Eda Ranu Transfer	4,944,770	1,482,993				
Receivable from Eda Ranu - DOF	4,648,213	4,648,000				
TOTAL OWN-SOURCE REVENUES	29,984,164	18,387,186	18,888,650	38,863,089	27,911,581	31,533,825
Licenses, fees and taxes	28,873,815	18,035,970	18,311,691	25,011,787	26,899,765	30,644,456
Motor vehicles	0	0	0	0	0	0
Liquor	1,340,368	1,391,815	1,411,932	1,498,292	1,912,392	1,250,509
Liquor License fees	1,033,577	1,216,816	1,129,395	1,193,625	1,366,058	1,100,208
Cabaret License fees	306,790	174,999	282,536	304,667	546,334	150,300
Gambling	0	0	0	0	0	0
Land	25,213,841	13,847,795	13,453,345	19,529,633	20,811,244	23,681,414
Land Rates	10,677,094	8,504,215	8,655,655	13,839,341	14,876,807	16,437,434
Garbage & Sanitation	14,536,747	5,343,580	4,797,689	5,690,292	5,934,437	7,243,980
Other licenses, fees, and taxes	2,319,607	2,796,360	3,446,415	3,983,862	4,176,129	5,712,534
Trade License fees	746,356	804,949	886,423	1,199,930	1,260,659	1,063,427
Building License fees	572,822	655,550	551,068	370,265	543,995	580,641
Dog License fees	2,660	10,516	2,600	970	320	589
Physical Planning fees	376,503	402,128	219,464	353,488	313,912	406,098
Swimming Pool fees	0	0	2,620			
Market Facility fees	349,022	376,282	392,517	486,090	438,192	632,800
Burial fees	86,991	72,794	87,235	99,315	120,460	106,535
Outdoor Advertising	140,000	424,171	839,078	891,844	306,441	1,695,736
Village Court fines	6,621	4,170	3,956	6,281	15,614	11,563
Tender fees	38,327	45,800	154,700	130250	308440	64575.75
Regulatory Services Penalties	305	0	0	110,055	59,325	32,200

	2010	2011	2012	2013	2014	2015
Dump Facility Fees	0	0	306,754	332662.15	670853.04	1106568.52
Enforcement Fees					2,568	
Enforcement Penalties					132,850	7,900
Food Contamination Penalties				2,711	2,500	3,900
Commercial receipts, user charges, returns on investments etc.	933,157	186,235	340,153	2,492,041	400,234	177,107
Investment Income	756,434	74,218	28,234	2,201,659		
Sale of fixed assets	13,855	24,260	41,025	4,641	2,045	3,220
Sale of Vehicles	59,491	0	4,000	25500	199200	2250
Rental Income	103,378	87,757	266,895	260,241	198,989	171,637
Other revenues	177,192	164,981	236,805	11,359,261	611,582	712,261
Other Income	177,192	164,981	236,805	11359211.27	611582.31	712261.28
Venue Reservation				50.0		
TOTAL INTERNAL REVENUES	191,741,473	176,106,179	168,231,158	241,323,793	269,538,069	305,708,678

Milne Bay Provincial Government

MILNE BAY: SUMMARY OF REVENUES (KINA)						
	2010	2011	2012	2013	2014	2015
National Grants	10,455,436	13,788,900	19,612,399	26,975,556	29,890,406	31,773,430
Administration Grant	772,954	1,073,000	1,073,000	1,073,000	1,680,359	1,871,141
Other Services Delivery Grant	1,139,291	1,539,200	2,238,020	4,520,599	4,520,599	4,530,138
Health Function Grant	3,271,527	4,138,200	5,535,840	5,535,840	6,621,569	7,443,977
Education Function Grant	2,248,030	2,948,100	4,695,150	6,977,728	7,433,316	7,704,439
Transport Infrastructure Maintenance Function Grant	2,391,434	3,124,800	4,522,440	6,657,755	7,081,286	7,334,335
Village Court Function Grant	76,200	76,200	192,670	339,933	403,121	493,495
Land Mediation Function Grant (<i>Introduced in 2015</i>)						65,000
Primary Production Function Grant	556,000	889,400	1,355,280	1,870,701	2,150,155	2,330,904
GST distribution from IRC	2,544,070	3,342,200	2,512,034	4,719,009	4,597,826	7,126,909
Bookmakers distribution from IRC	0.0	0.0	0.0	0.0	0.0	0.0
Mining and Petroleum Royalties and Dividends	0.0	0.0	0.0	0.0	0.0	0.0
Royalties						
Dividends						
Own Source Revenues	1,423,341	1,734,766	2,574,174	894,435	1,929,754	2,222,147
Licenses, fees and taxes	872,570	765,280	990,172	491,618	1,185,851	837,392
Motor vehicles	645,655	525,801	710,174	286,964	917,996	541,921
Liquor	186,758	183,743	203,807	156,175	170,574	177,620
Gambling	0	0	0	0	0	0
Land	0	0	0	0	0	0
Other licenses, fees, and taxes	40,157	55,736	76,191	48,479	97,281	117,852
Commercial Receipts	470,991	732,482	955,050	129,854	365,067	601,674
Other Revenues	79,780	237,004	628,952	272,962	378,836	783,081
TOTAL REVENUES	14,422,847	18,865,866	24,698,607	32,589,000	36,417,985	41,122,486

MILNE BAY: PGAS INTERNAL REVENUE SUMMARY (KINA)						
	2010	2011	2012	2013	2014	2015
TOTAL NON OWN-SOURCE REVENUES REMOVED FROM PGAS	2,770,188	14,002,325	13,865,805	7,477,272	6,115,228	8,083,057
Revenue from former years	0.0	0.0	0.0	114,477.4	249,693.1	0.0
Unspent Grants From 275 Budget	0.0	0.0	0.0	114,477.4	249,693.1	0.0
Revenues for development purposes (e.g. SSGs)	0.0	0.0	700,000.0	2,000,000.0	0.0	0.0
Alotau District Project Fund			700,000	2,000,000	0	0
GST/VAT distributions from IRC	2,332,088.0	3,342,204.0	2,511,996.0	0.0	4,991,075.0	7,126,896.0
Goods and Service Tax	2,332,088.0	3,342,204.0	2,511,996.0	0.0	4,991,075.0	7,126,896.0
Mining and petroleum royalties and dividends	0.0	0.0	0.0	0.0	0.0	0.0
Timber And Mining Royalties	0.0	0.0	0.0	0.0	0.0	0.0
Other, including major asset sales and staffing revenue	438,100.0	10,660,120.6	10,653,809.2	5,362,794.4	874,459.8	956,160.6
Sales and Service Tax			527,153.9	565,731.7	0.0	0.0
Mbpg Hostel Proceeds	75,550	75,000				
Mbpl Rental	3,000	3,000				
Prov/Govt Housing Rentals	59,550	89,065				
PPII - Sns Trust		405,000	602,257	59,465	0	0
PDIP Funds Carryover		5,000,000	0	0	0	0
PPII	300,000	0	0	0	0	0
Direct Funding Frm Nat/Govt.		5,080,000	9,500,000	4,735,000	870,000	950,000
Physical Planning			13,850	0	0	0
Contribution To Leave Fares		8,056	10,548	2,598	4,460	6,161
Total Own Source Revenues	1,423,341	1,734,766	2,574,174	894,435	1,929,754	2,222,147
Licenses, fees and taxes	872,569.8	765,280.2	990,171.7	491,618.4	1,185,850.6	837,392.2
Motor vehicles	645,655.3	525,801.2	710,174.1	286,964.4	917,995.6	541,920.7
Motor Vehicle Registration	445,960.8	284,767.3	298,443.3	105,130.8	419,793.8	170,532.8
Driving Licences	96,051.0	98,090.0	111,963.0	54,275.0	128,719.0	128,599.0
Pmv Drivers License Fee	9,138.0	0.0	0.0	22,526.0	0.0	0.0
Pmv License Fee	37,541.7	47,948.7	51,785.0	0.0	56,642.0	57,323.0
Driving Permit & Id Fees	1,690.0	1,260.0	1,114.0	570.0	1,460.0	1,220.0
Pmv Registration Fee	4,733.0	9,911.8	27,533.9	11,988.9	47,024.4	12,637.4
Heavy Vehicle Licensing	31,044.0	21,453.2	23,582.5	11,724.7	29,998.8	27,647.8
Heavy Vehicle Registration Fee	1,395.8	36,884.3	155,329.9	58,626.5	191,054.6	99,450.8
Heavy Motor Vehicle/Pmv Driver		11,626.0	16,547.6	12,797.6	22,027.0	18,880.0
Traffic Infringement Notices	18,101.0	13,860.0	23,875.0	9,325.0	21,276.0	25,630.0
Liquor	186,758.0	183,743.0	203,807.0	156,175.0	170,574.0	177,620.0
Liquor Licenses	185,858.0	179,243.0	203,667.0	156,175.0	169,834.0	175,460.0
Liquor Fines	900.0	4,500.0	140.0	0.0	740.0	2,160.0
Gambling	0.0	0.0	0.0	0.0	0.0	0.0
Gambling, Lotteries Etc	0	0	0	0	0	0

Land	0	0	0	0	0	0
Other licenses, fees, and taxes	40,156.5	55,736.0	76,190.6	48,479.0	97,281.0	117,851.5
Court Fees And Fines	0.0	0.0	0.0	0.0	0.0	0.0
Small Crafts Registration	22,156.0	23,909.0	29,339.0	9,345.0	19,823.5	16,724.0
Sea Worthiness	0.0	0.0	0.0	8,062.0	20,839.5	20,839.5
Survey Fees	3,300.0	21,190.0	26,700.0	18,080.0	13,120.0	23,900.0
Tender Board - Application Fee	7,400.5	7,290.0	11,951.6	4,970.0	7,750.0	23,110.0
Small Crafts Operators Permit	0.0	0.0	0.0	4,452.0	23,568.0	23,568.0
Small Craft Penalties/Fines	7,300.0	3,347.0	5,480.0	3,290.0	11,390.0	8,920.0
Health Inspection Charges	0.0	0.0	2,720.0	280.0	790.0	790.0
Commercial receipts, user charges, returns on investments etc.	470,991.2	732,482.0	955,050.4	129,854.5	365,066.8	601,674.1
Electricity Charges	0.0	101,304.1	178,026.0	1,529.5	94,699.3	94,699.3
Mbpg Hostel Proceeds			50,000	25,000	0	0
Mbpl Rental			3,000	0	0	0
Prov/Govt Housing Rentals			111,368	26,250	49,180	49,180
Manifold Rentals				5,600	7,200	4,400
Disposal Of Assets	0.0	3,000.0	0.0	50.0	3,656.2	3,656.2
Ibd - Interests	345,938.4	323,664.4	92,295.9	10,849.3	33,735.6	33,735.6
Mbpl Loan Repayment	24,000.0	25,010.0	295,000.0	0.0	0.0	200,000.0
Sale Of Produce	50,211.0	3,215.3	11,739.3	1,717.3	55,107.4	55,107.4
Other Sales/Livestock Produce	11,152.8	5,221.0	2,755.0	670.0	25,767.2	25,767.2
Management Fee From Miba		24,000.0	24,000.0	6,000.0	0.0	18,000.0
Wharf User Charges	14,478.1	213,133.0	101,958.5	39,879.1	71,822.2	99,630.0
Cargo Loading/Unloading Charge	8,290.7	10,095.9	79,561.5	11,118.5	18,311.8	15,303.4
Fisheries Produce			2,317.0	0.0	1,284.0	1,284.0
Forestry Levy	16,920.3	23,838.4	3,029.4	1,191.3	4,303.6	911.5
Other revenues	79,780.2	237,003.7	628,951.7	272,961.8	378,836.3	783,080.8
Sundry Income	0	201,459	0	0	0	0
Sundry Income - Works Unit	2,840	1,829	8,227	0	0	0
Works Unit Proceed	5,000	5,000	8,500	0	10,000	10,000
Sundry Income - Planning	25,794	12,857	7,055	0	0	0
Own Source Revenue Carryover		3,994	0	0	0	0
Repaid Cash Advances		8,935	5,612	5,487	4,544	3,266
Sundry Income - Hrd	1,470	2,930	3,635	0	0	0
Other Miscellaneous Revenue	44,676	0	74,183	20,931	8,600	407,892
Miscellaneous-Revenue-Planning				8,395	8,506	11,978
Miscellaneous Revenue-Works Uni				3,277	8,966	480
Miscellaneous Revenue-Hrd				523	520	475
Miscellaneous-Physical Plannin				9,350	13,600	28,900
Miscellaneous Rev-Mbpta					5,410	1,400
Project Consultancy Fees-Wsu			521,740	225,000	318,690	318,690
TOTAL PGAS INTERNAL REVENUES	4,193,529	15,737,091	16,439,979	8,371,707	8,044,982	10,305,204

Oro Provincial Government

NORTHERN (ORO): SUMMARY OF REVENUES (KINA)						
	2010	2011	2012	2013	2014	2015
National Grants	6,467,012	8,397,000	11,378,805	15,451,824	16,067,229	19,063,963
Administration Grant	402,341	595,400	595,400	595,400	817,616	1,104,984
Other Services Delivery Grant	576,531	827,400	1,125,581	2,021,684	2,040,637	2,241,794
Health Function Grant	1,525,244	2,142,800	2,739,161	3,757,416	3,938,144	4,821,231
Education Function Grant	1,486,562	1,795,400	2,511,033	3,529,288	3,599,422	4,158,711
Transport Infrastructure Maintenance Function Grant	1,660,434	2,065,700	3,258,422	4,154,447	4,154,447	4,301,628
Village Court Function Grant	42,500	42,500	42,500	83,230	111,304	346,794
Land Mediation Function Grant (<i>Introduced in 2015</i>)						65,000
Primary Production Function Grant	773,400	927,800	1,106,708	1,310,359	1,405,660	2,023,821
GST distribution from IRC	1,237,377	1,441,500	1,249,285	2,280,805	2,504,760	2,268,375
Bookmakers distribution from IRC	0.0	0.0	0.0	0.0	0.0	0.0
Mining and Petroleum Royalties and Dividends	0.0	0.0	0.0	0.0	0.0	0.0
Royalties						
Dividends						
Own Source Revenues	103,355	328,184	1,105,745	56,740	318,170	724,693
Licenses, fees and taxes	103,355	171,671	229,043	42,180	136,505	691,331
Motor vehicles	86,555	111,086	140,443	25,630	84,605	599,371
Liquor	16,800	51,840	88,600	16,550	51,900	91,880
Gambling	0	0	0	0	0	30
Land	0	8,685	0	0	0	0
Other licenses, fees, and taxes	0	60	0	0	0	50
Commercial Receipts	0	156,463	258,567	14,460	29,511	32,862
Other Revenues	0	50	618,134	100	152,154	500
TOTAL REVENUES	7,807,744	10,166,684	13,733,835	17,789,369	18,890,159	22,057,031

ORO (NORTHERN): PGAS INTERNAL REVENUE SUMMARY (KINA)						
	2010	2011	2012	2013	2014	2015
TOTAL NON OWN-SOURCE REVENUES REMOVED FROM PGAS	206,234	1,647,734	188,904	570,134	2,087,300	1,703,406
Revenue from former years	0	0	0	0	0	0
Revenues for development purposes (e.g. SSGs)	0	0	0	0	0	0
GST/VAT distributions from IRC	206,234	1,647,734	188,904	570,134	2,087,300	1,701,297
VAT/GST	206,234	1,647,734	188,904	570,134	2,087,300	1,701,297
Mining and petroleum royalties and dividends	0	0	0	0	0	0
Other, including major asset sales and staffing revenue	0	0	0	0	0	2,109
Contribution to Leave Fares						2,109
Total Own Source Revenues	103,355	328,184	1,105,745	56,740	318,170	724,693
Licenses, fees and taxes	103,355	171,671	229,043	42,180	136,505	691,331
Motor vehicles	86,555	111,086	140,443	25,630	84,605	599,371
Motor Vehicle Reg&Lic Fees	86,555	111,086	140,443	24,460	67,755	260,968
PMV Driver's Licence				150	210	0
PMV Registration Fees				960	16,640	17,290
Heavy Motor Vehicle Regist.Fee				60	0	540
Traffic Infringement Noti.Fine						19,745
MVIL Commission Fees						300,828
Small Craft Registration						50
Small Craft Registration Fees						50
Liquor	16,800	51,840	88,600	16,550	51,900	91,880
Liquor Licensing Fees	16,800	51,840	88,600	16,550	51,900	91,880
Gambling	0	0	0	0	0	30
Lotteries & Gambling Fees	0	0	0	0	0	30
Other licenses, fees, and taxes	0	60	0	0	0	0
Taxes,Fees/Charges-Prov'l Law	0	60	0	0	0	0
Land	0	8,685	0	0	0	0
Land Rates		8,595	0	0	0	0
Developed Property Tax	0	90	0	0	0	0
Commercial receipts, user charges, returns on investments etc.	0	156,463	258,567	14,460	29,511	32,862
Sale of Produce			37,404	0	0	0
Business Development Fees and Charges						50
Export Log Levy Fees		156,463	44,710	14,460	19,011	16,575
Timber Levies						16,237
Rental Fees			144,985	0	0	0
Housing Rental			23,298	0	0	0
Printing Charges			70	0	0	0
Investment			7,500	0	0	0
Sub-Divided Land Lease			600	0	0	0

Tenders Board Fees					10,500	0
Other revenues	0	50	618,134	100	152,154	500
Miscellaneous Receipts		50	618,134	100	152,154	500
TOTAL PGAS INTERNAL REVENUES	309,589	1,975,918	1,294,649	626,874	2,405,470	2,428,099

Southern Highlands Provincial Government

SHP: SUMMARY OF REVENUES (KINA)						
	2010	2011	2012	2013	2014	2015
National Grants	7,962,025	13,057,000	14,366,797	11,471,016	14,626,100	15,216,564
Administration Grant	775,000	265,800	265,800	173,398	488,907	615,057
Other Services Delivery Grant	921,000	921,000	1,117,470	1,148,165	1,369,021	1,469,941
Health Function Grant	2,462,236	4,500,100	4,500,100	3,234,101	3,865,118	3,934,258
Education Function Grant	1,919,500	2,683,700	3,011,149	2,567,452	3,861,037	4,010,234
Transport Infrastructure Maintenance Function Grant	1,580,289	3,618,200	4,076,629	3,280,313	3,753,575	3,808,160
Village Court Function Grant	257,300	257,300	322,790	296,594	359,695	366,973
Land Mediation Function Grant <i>(Introduced in 2015)</i>						65,000
Primary Production Function Grant	46,700	810,900	1,072,859	770,993	928,747	946,942
GST distribution from IRC	653,375	922,600	1,586,915	5,255,488	8,274,114	10,364,024
Bookmakers distribution from IRC	0.0	0.0	0.0	0.0	0.0	0.0
Mining and Petroleum Royalties and Dividends	32,987,700	5,406,400	25,872,900	23,625,314	35,377,974	17,767,783
Royalties	29,528,700	1,947,400	25,872,900	23,625,314	33,047,974	17,767,783
Dividends	3,459,000	3,459,000	0	0	2,330,000	0
Own Source Revenues	166,579	69,369	1,374,633	947,487	3,913,450	2,590,075
Licenses, fees and taxes	166,579	69,009	274,633	947,487	2,593,450	1,415,318
Motor vehicles	166,579	69,009	274,633	942,687	2,593,450	1,415,318
Liquor	0	0	0	0	0	0
Gambling	0	0	0	0	0	0
Land	0	0	0	0	0	0
Other licenses, fees, and taxes	0	0	0	4,800	0	0
Commercial Receipts	0	360	1,100,000	0	1,320,000	1,120,000
Other Revenues	0	0	0	0	0	54,757
TOTAL REVENUES	41,769,679	19,455,369	43,201,245	41,299,305	62,191,638	45,938,446

SHP: PGAS INTERNAL REVENUE SUMMARY (KINA)						
	2010	2011	2012	2013	2014	2015
TOTAL NON OWN-SOURCE REVENUES REMOVED FROM PGAS	0	2,006,609	52,183,948	40,767,664	51,779,737	27,268,120
Revenue from former years	0	0	0	0	0	0
Revenues for development purposes (e.g. SSGs)	0	58,315	24,988,625	14,076,651	0	0
Moran Development Levy			17,980,921	14,076,651	0	0
Moran Development 2012			3,491,000	0	0	0
Northwest Moran Dev. Levy			3,516,704	0	0	0
Special Support Grants	0	58,315	0	0	0	0
GST/VAT distributions from IRC	0	0	1,322,420	3,065,699	6,894,581	9,500,337
GST			1,322,420	3,065,699	6,894,581	9,500,337
Mining and petroleum royalties and dividends	0	1,947,404	25,872,903	23,625,314	44,885,156	17,767,783
Kutubu Petroleum royalty	0	0	25,872,903	0	24,886,076	17,406,789
PRK Dividends	0	0	0	0	2,330,000	0
Moran Royalty	0	1,947,404	0	0	8,161,898	360,994
Miscellaneous	0	0	0	23,625,314	9,507,182	
Other, including major asset sales and staffing revenue	0	890	0	0	0	0
Housing Rental	0	890	0	0	0	0
Total Own Source Revenues	166,579	69,369	1,374,633	947,487	3,913,450	2,590,075
Licenses, fees and taxes	166,579	69,009	274,633	947,487	2,593,450	1,415,318
Motor vehicles	166,579	69,009	274,633	942,687	2,593,450	1,415,318
Motor Vehicle Registration Fee	19,439	69,009	274,633	0	0	0
Driving Licensing Fees	147,140	0	0	0	0	0
(MVIL) Vehicle Licenses				1,970	0	0
MVIL				940,717	2,593,450	1,415,318
Liquor	0	0	0	0	0	0
Liquor Licencing Fees	0	0	0	0	0	0
Gambling	0	0	0	0	0	0
Other licenses, fees, and taxes	0	0	0	4,800	0	0
Fees and Fines	0	0	0	4,800	0	0
Land	0	0	0	0	0	0
Commercial receipts, user charges, returns on investments etc.	0	360	1,100,000	0	1,320,000	1,120,000
Disposal of Assets (Houses & MV	0	0	0	0	0	0
BSP Dividends	0	360	1,100,000	0	1,320,000	1,120,000
Prov.Gov.Investment Dividends	0	0	0	0	0	0
Other revenues	0	0	0	0	0	54,757
Miscellaneous						54,757
TOTAL PGAS INTERNAL REVENUES	166,579	2,075,978	53,558,581	41,715,152	55,693,187	29,858,195

Hela Provincial Government

HELA: SUMMARY OF REVENUES (KINA)						
	2010	2011	2012	2013	2014	2015
National Grants	0	0	0	6,129,315	9,876,199	10,390,580
Administration Grant	0	0	0	92,402	1,235,986	1,235,986
Other Services Delivery Grant	0	0	0	616,012	1,027,741	1,120,650
Health Function Grant	0	0	0	1,848,035	3,078,862	3,196,159
Education Function Grant	0	0	0	1,478,428	1,769,533	1,867,930
Transport Infrastructure Maintenance Function Grant	0	0	0	1,540,029	1,959,768	2,059,752
Village Court Function Grant	0	0	0	123,202	123,202	133,340
Land Mediation Function Grant <i>(Introduced in 2015)</i>						65,000
Primary Production Function Grant	0	0	0	431,208	681,108	711,765
GST distribution from IRC	0	0	0	0	0	0
Bookmakers distribution from IRC	0.0	0.0	0.0	0.0	0.0	0.0
Mining and Petroleum Royalties and Dividends	0	0	0	0	0	0
Royalties	0	0	0	0	0	0
Dividends	0	0	0	0	0	0
Own Source Revenues	0	0	0	0	0	0
Licenses, fees and taxes	0	0	0	0	0	0
Motor vehicles	0	0	0	0	0	0
Liquor	0	0	0	0	0	0
Gambling	0	0	0	0	0	0
Land	0	0	0	0	0	0
Other licenses, fees, and taxes	0	0	0	0	0	0
Commercial Receipts	0	0	0	0	0	0
Other Revenues	0	0	0	0	0	0
TOTAL REVENUES	0	0	0	6,129,315	9,876,199	10,390,580

Enga Provincial Government

ENGA: SUMMARY OF REVENUES (KINA)						
	2010	2011	2012	2013	2014	2015
National Grants	6,779,876	10,045,130	10,753,420	16,520,442	22,953,674	26,357,858
Administration Grant	485,250	485,300	485,300	485,300	1,468,456	1,846,214
Other Services Delivery Grant	916,432	916,300	953,383	2,138,794	2,676,513	3,016,495
Health Function Grant	1,873,391	2,853,000	2,890,083	3,779,141	4,520,355	4,894,615
Education Function Grant	929,300	1,157,900	1,380,399	1,380,399	3,713,402	4,982,630
Transport Infrastructure Maintenance Function Grant	2,470,973	4,103,600	4,437,349	7,697,228	9,469,496	10,380,737
Village Court Function Grant	15,330	15,330	19,038	36,819	36,819	38,447
Land Mediation Function Grant <i>(Introduced in 2015)</i>						65,000
Primary Production Function Grant	89,200	513,700	587,866	1,002,760	1,068,632	1,133,721
GST distribution from IRC	465,054	879,300	1,233,266	923,624	1,520,137	1,280,870
Bookmakers distribution from IRC	0.0	0.0	0.0	0.0	0.0	0.0
Mining and Petroleum Royalties and Dividends	19,579,368	24,103,453	21,422,360	19,103,453	16,422,355	18,985,229
Royalties	17,579,368	19,103,453	15,422,360	19,103,453	15,422,355	17,151,787
Dividends	2,000,000	5,000,000	6,000,000	0	1,000,000	1,833,442
Own Source Revenues	5,337,119	3,119,411	3,925,930	390,921	3,195,985	2,421,158
Licenses, fees and taxes	381,612	442,518	377,245	207,318	482,331	693,324
Motor vehicles	260,872	281,339	237,320	143,311	354,319	156,265
Liquor	66,900	98,300	99,200	36,000	49,400	51,900
Gambling	0	0	1,347	0	0	250,000
Land	0	0	0	0	0	0
Other licenses, fees, and taxes	53,840	62,879	39,378	28,007	78,612	235,159
Commercial Receipts	225,377	422,700	574,343	43,115	182,552	168,714
Other Revenues	4,730,130	2,254,193	2,974,342	140,488	2,531,102	1,559,121
TOTAL REVENUES	32,161,417	38,147,294	37,334,976	36,938,441	44,092,152	49,045,115

ENGA: PGAS INTERNAL REVENUE SUMMARY (KINA)						
	2010	2011	2012	2013	2014	2015
TOTAL NON OWN-SOURCE REVENUES REMOVED FROM PGAS	41,113,977	77,616,255	29,291,200	47,977,393	18,420,136	42,700,421
Revenue from former years	28,758,211	51,554,055	0	40,544,003	0	0
1999 278 Bal Carried Forward	706,089	0	0	0	0	0
Cash Book	28,052,122	51,554,055	0	40,544,003	0	0
Revenues for development purposes (e.g. SSGs)	0	1,700,000	1,500,000	0	0	2,000,000
Nat.Government(Incl.O/S SSG)	0	1,700,000	0	0	0	0
Infrast. Dev. Grant Assist. SH			1,500,000	0	0	2,000,000
GST/VAT distributions from IRC	355,766	879,300	1,233,600	633,390	1,520,136	1,280,904
Value Added Tax (VAT)	355,766	879,300	1,233,600	633,390	1,520,136	1,280,904
Mining and petroleum royalties and dividends	12,000,000	23,482,900	25,557,600	6,800,000	16,900,000	16,676,000
Royalties	2,700,000	3,600,000	3,700,000	1,500,000	3,700,000	3,700,000
MRSF	7,300,000	14,882,900	12,857,600	5,300,000	12,200,000	12,976,000
Invest. Proceeds(Porgera Mine)	2,000,000	5,000,000	6,000,000	0	1,000,000	0
Outstanding MRSF			3,000,000	0	0	0
Other, including major asset sales and staffing revenue	0	0	1,000,000	0	0	22,743,517
Enga childrens Fund			1,000,000	0	0	0
Enga Teachers College						1,500,000
GoPNG Education Assistance						9,000,000
National School Fees Subsidy						12,211,646
Other Reimbursement						31,870
Total Own Source Revenues	5,337,119	3,119,411	3,925,930	390,921	3,195,985	2,421,158
Licenses, fees and taxes	381,612	442,518	377,245	207,318	482,331	693,324
Motor vehicles	260,872	281,339	237,320	143,311	354,319	156,265
Motor Veh.Reg. and License	178,395	214,575	166,935	93,166	239,009	106,437
PMV Applications and Licence	65,445	58,115	61,395	46,735	107,725	48,073
Traffic Infringement Fees	17,032	8,649	8,990	3,410	7,585	1,755
Liquor	66,900	98,300	99,200	36,000	49,400	51,900
Liquor Licensing	66,900	98,300	99,200	36,000	49,400	51,900
Gambling	0	0	1,347	0	0	250,000
Gaming Board						250,000
Entertainment Tax(Lottery)			1,347	0	0	0
Other licenses, fees, and taxes	53,840	62,879	39,378	28,007	78,612	235,159
Village Courts Fees and Fees	17,875	15,789	3,388	2,767	8,532	4,839
Tender Board Fees	4,600	39,555	33,050	24,700	69,150	79,550
Survey Services Fees	29,800	5,040	360	0	100	150,000
Business Registration-Commerce	1,565	2,495	2,580	540	830	770
Land	0	0	0	0	0	0

Commercial receipts, earnings and investments	225,377	422,700	574,343	43,115	182,552	168,714
EPG Housing Rental	79,406	95,938	111,227	30,115	85,502	82,999
BSP Bank Building Rentals	136,364	227,273	409,091	2,000	11,000	0
Sale of EPG Assets	20	88,820	35,500	0	61,000	20,483
Sale of Cultural Centre Produce	9,587	10,670	16,775	0	13,050	40,622
Sale of Books&Other Publication	0	0	0	0	0	5,400
Sale of DPI Products	0	0	1,750	0	12,000	4,210
Ipatas Centre ATM Rentals				11,000	0	15,000
Other revenues	4,730,130	2,254,193	2,974,342	140,488	2,531,102	1,559,121
ECF Loan	0	2,000,000	0	0	0	0
Stale Cheques (758 & 278)	145,996	202,760	393,596	140,488	462,096	221,721
Sundry Income	4,584,133	51,432	2,580,746	0	2,069,007	1,337,400
TOTAL PGAS INTERNAL REVENUES	46,451,095	80,735,665	33,217,130	48,368,314	21,616,121	45,121,579

Western Highlands Provincial Government

WHP: SUMMARY OF REVENUES (KINA)						
	2010	2011	2012	2013	2014	2015
National Grants	11,514,203	14,852,400	18,988,271	16,018,779	15,526,774	17,099,401
Administration Grant	455,800	455,800	455,800	266,859	266,859	416,570
Other Services Delivery Grant	757,528	757,600	757,600	1,292,183	1,254,238	1,463,834
Health Function Grant	2,260,793	3,362,400	4,727,237	3,067,863	2,968,102	3,104,087
Education Function Grant	3,455,998	4,357,300	5,473,985	4,549,662	4,406,214	4,647,966
Transport Infrastructure Maintenance Function Grant	3,110,085	4,278,400	5,725,955	5,759,036	5,582,341	6,156,502
Village Court Function Grant	274,300	274,300	274,300	265,546	257,014	332,561
Land Mediation Function Grant (<i>Introduced in 2015</i>)						65,000
Primary Production Function Grant	1,199,700	1,366,600	1,573,394	817,629	792,007	912,882
GST distribution from IRC	11,965,913	11,991,100	13,189,976	16,670,959	25,200,075	26,818,248
Bookmakers distribution from IRC	461,209	433,789	480,992	524,461	566,397	1,423,693
Mining and Petroleum Royalties and Dividends	0.0	0.0	0.0	0.0	0.0	0.0
Royalties						
Dividends						
Own Source Revenues	1,760,063	3,738,985	4,530,689	4,538,041	4,271,818	4,123,017
Licenses, fees and taxes	1,714,908	3,069,485	4,472,911	3,747,580	3,876,873	3,511,781
Motor vehicles	1,528,688	2,895,686	4,167,002	3,640,700	3,696,173	3,355,711
Liquor	186,220	173,799	305,909	106,880	180,700	156,070
Gambling	0	0	0	0	0	0
Land	0	0	0	0	0	0
Other licenses, fees, and taxes	0	0	0	0	0	0
Commercial Receipts	0	0	0	0	0	0
Other Revenues	45,155	669,500	57,778	790,461	394,945	611,236
TOTAL REVENUES	25,701,389	31,016,274	37,189,928	37,752,240	45,565,065	49,464,359

WHP: PGAS INTERNAL REVENUE SUMMARY (KINA)						
	2010	2011	2012	2013	2014	2015
TOTAL NON OWN-SOURCE REVENUES REMOVED FROM PGAS	16,548,660	14,856,583	20,643,465	22,705,884	27,400,072	29,499,371
Revenue from former years	27,080	2,528,068	7,453,461	6,034,900	2,200,000	2,680,991
2010 Unspent Provincial Funds		351,200	7,453,461	0	0	0
2010 Unspent Grants Rollover		1,176,868	0	0	0	0
Prov.Speci.Inter.Program(PSIP)		1,000,000	0	0	0	0
2008 Unspend Block Grants	27,080	0	0	0	0	0
Sundry Sectors(Unspent Grants)				6,034,900	0	0
2013 Grant Assist Corp Society						480,991
2012 Unspent Internal Revenue					2,200,000	2,200,000
Revenues for development purposes (e.g. SSGs)	6,550,000	0	0	0	0	0
Kapal Haus Reconst Roll-Over	6,500,000	0	0	0	0	0
Prov Dev Improv.Pro (PDIP) Gra	50,000	0	0	0	0	0
GST/VAT distributions from IRC	9,971,580	12,328,516	13,190,004	16,670,984	25,200,072	26,818,300
Value Added Tax (VAT)	9,971,580	12,328,516	13,190,004	16,670,984	25,200,072	26,818,300
Bookmakers Tax						80
Bookmakers Tax (2009-2014 trn)						80
Mining and petroleum royalties and dividends	0	0	0	0	0	0
Other, including major asset sales and staffing revenue						
Total Own Source Revenues	1,760,063	3,738,985	4,530,689	4,538,041	4,271,818	4,123,017
Licenses, fees and taxes	1,714,908	3,069,485	4,472,911	3,747,580	3,876,873	3,511,781
Motor vehicles	1,528,688	2,895,686	4,167,002	3,640,700	3,696,173	3,355,711
PMV Registration	1,528,688	0	0	0	0	0
Motor Vehicle Registration	0	2,895,686	4,167,002	3,640,700	3,696,173	3,355,711
Liquor	186,220	173,799	305,909	106,880	180,700	156,070
Liquor Licenses	186,220	173,799	305,909	106,880	180,700	156,070
Gambling	0	0	0	0	0	0
Other licenses, fees, and taxes	0	0	0	0	0	0
Land	0	0	0	0	0	0
Commercial receipts, user charges, returns on investments etc.	0	0	0	0	0	0
Sale Of Assets	0	0	0	0	0	0
Other revenues	45,155	669,500	57,778	790,461	394,945	611,236
Other Income	45,155	0	0	0	0	0
2010 Revenue Surplus		665,000	0	0	0	0
Miscellaneous Income		4,500	57,778	790,461	394,945	611,236
TOTAL PGAS INTERNAL REVENUES	18,308,723	18,595,569	25,174,153	27,243,925	31,671,890	33,622,388

Jiwaka Provincial Government

JIWAKA: SUMMARY OF REVENUES (KINA)						
	2010	2011	2012	2013	2014	2015
National Grants	0	0	0	12,608,676	13,043,534	14,474,261
Administration Grant	0	0	0	188,941	275,989	416,068
Other Services Delivery Grant	0	0	0	1,007,686	1,075,072	1,299,197
Health Function Grant	0	0	0	2,141,334	2,222,445	2,493,127
Education Function Grant	0	0	0	3,526,902	3,562,218	3,656,956
Transport Infrastructure Maintenance Function Grant	0	0	0	4,786,510	4,948,014	5,462,310
Village Court Function Grant	0	0	0	201,537	204,032	258,168
Land Mediation Function Grant (<i>Introduced in 2015</i>)						65,000
Primary Production Function Grant	0	0	0	755,765	755,765	823,435
GST distribution from IRC	0	0	0	0	0	0
Bookmakers distribution from IRC	0	0	0	0	0	0
Mining and Petroleum Royalties and Dividends	0.0	0.0	0.0	0.0	0.0	0.0
Royalties						
Dividends						
Own Source Revenues	0	0	0	0	0	0
Licenses, fees and taxes	0	0	0	0	0	0
Motor vehicles	0	0	0	0	0	0
Liquor	0	0	0	0	0	0
Gambling	0	0	0	0	0	0
Land	0	0	0	0	0	0
Other licenses, fees, and taxes	0	0	0	0	0	0
Commercial Receipts	0	0	0	0	0	0
Other Revenues	0	0	0	0	0	0
TOTAL REVENUES	0	0	0	12,608,676	13,043,534	14,474,261

Simbu Provincial Government

SIMBU: SUMMARY OF REVENUES (KINA)						
	2010	2011	2012	2013	2014	2015
National Grants	10,398,044	12,751,500	16,543,930	23,089,414	31,347,725	35,499,179
Administration Grant	550,000	667,600	857,222	857,222	2,095,968	2,786,971
Other Services Delivery Grant	1,161,784	1,373,600	1,714,919	2,893,106	3,058,272	3,380,740
Health Function Grant	2,250,261	2,721,000	3,479,486	4,134,034	6,611,528	7,399,472
Education Function Grant	2,945,961	3,440,200	4,236,610	6,069,346	8,133,924	9,118,854
Transport Infrastructure Maintenance Function Grant	3,195,238	3,971,900	5,223,402	7,579,776	9,396,605	10,283,042
Village Court Function Grant	150,200	150,200	150,200	346,565	511,731	649,621
Land Mediation Function Grant <i>(Introduced in 2015)</i>						65,000
Primary Production Function Grant	144,600	427,000	882,092	1,209,366	1,539,698	1,815,479
GST distribution from IRC	661,575	1,563,700	1,691,657	3,420,810	2,526,454	1,583,630
Bookmakers distribution from IRC	0.0	0.0	0.0	0.0	0.0	0.0
Mining and Petroleum Royalties and Dividends	0.0	0.0	0.0	0.0	0.0	0.0
Royalties						
Dividends						
Own Source Revenues	1,425,189	1,069,870	1,089,573	1,697,338	1,412,601	1,174,955
Licenses, fees and taxes	1,319,524	949,352	758,048	967,826	1,024,602	1,020,632
Motor vehicles	417,783	313,218	361,264	466,188	496,388	429,738
Liquor	882,040	542,191	363,244	448,188	453,819	294,201
Gambling	0	0	0	0	0	0
Land	0	0	0	0	0	13,150
Other licenses, fees, and taxes	19,701	93,943	33,540	53,450	74,395	283,543
Commercial Receipts	104,300	85,968	250,065	719,702	379,329	127,203
Other Revenues	1,365	34,550	81,460	9,810	8,670	27,120
TOTAL REVENUES	12,484,808	15,385,070	19,325,160	28,207,563	35,286,780	38,257,764

SIMBU: PGAS INTERNAL REVENUE SUMMARY (KINA)						
	2010	2011	2012	2013	2014	2015
TOTAL NON OWN-SOURCE REVENUES REMOVED FROM PGAS	339,464	1,742,968	1,963,549	3,321,352	2,129,410	1,055,736
Revenue from former years	256,785	439,888	429,158	33,962	24,030	0
Former Years Appropriation	0	430,926	303,146	33,962	24,030	0
Carry Over Funds	256,785	0	126,012	0	0	0
Carry Overs From 1998 Accounts	0	8,962	0	0	0	0
Revenues for development purposes (e.g. SSGs)	0	0	0	0	0	0
GST/VAT distributions from IRC	0	1,303,080	1,534,391	3,287,390	2,105,380	1,055,736
Sales and Service Tax/GST	0	1,303,080	1,534,391	3,287,390	2,105,380	1,055,736
Mining and petroleum royalties and dividends	0	0	0	0	0	0
Other, including major asset sales and staffing revenue	82,680	0	0	0	0	0
Rent Housing	82,680					
Total Own Source Revenues	1,425,189	1,173,587	1,153,833	1,697,338	1,412,601	1,174,955
Licenses, fees and taxes	1,319,524	949,352	762,738	970,826	1,027,002	1,020,632
Motor vehicles	417,783	313,218	361,264	466,188	496,388	429,738
Motor Veh/Registration Fees	152,457	138,493	164,224	230,703	291,983	226,413
Drivers License Fees	171,051	69,590	108,265	128,155	95,105	93,285
PMV Licenses	22,300	16,890	29,590	48,150	49,540	51,420
PMV Drivers Permit	14,130	15,930	19,730	25,990	25,050	20,550
PMV Crew Permit	5,390	6,250	7,760	7,950	13,560	15,580
Traffic Infringements Fines	52,455	66,065	31,695	25,210	21,150	21,500
SPG Vehicle Drivers Permit				30	0	990
Liquor	882,040	542,191	363,244	448,188	453,819	294,201
Liquor License Fees	91,774	144,561	128,470	146,880	190,182	176,573
Liquor Services Tax	790,266	397,630	234,774	301,308	263,637	117,628
Gambling	0	0	0	0	0	0
Other licenses, fees, and taxes	19,701	93,943	33,540	53,450	74,395	283,543
Tender Fees & Fines	9,800	10,430	9,750	33,870	24,620	17,550
Asset Deposit Fees	3,300	61,200	5,000	1,500	2,850	0
Contractors Registration	200	0	0	0	0	0
Village Court Fees & Fines	6,401	22,313	6,390	7,280	3,300	42,387
SPG Contract.Annual Subscripti			200	800	200	123
PSTB Contract Execution Fee			12,200	10,000	43,425	223,482
Land	0	0	4,690	3,000	2,400	13,150
SPG Land Sub Lease			4,690	3,000	2,400	0
Other Land						13,150

Commercial receipts, user charges, returns on investments etc.	104,300	189,686	309,635	716,702	376,929	127,203
Rent - SPG Houses		103,717	64,260	65,522	64,349	63,394
Office Rentals	50,000	0	10,000	0	0	2,800
Assets Disposal	54,300	36,850	26,700	591,180	257,580	12,450
Kdw Sports Facilit (Dickson)			5,000	0	0	0
Dividends - SPG Investments		49,118	203,675	60,000	55,000	42,178
Karamui Cocoa						6,382
Other revenues	1,365	34,550	81,460	9,810	8,670	27,120
Identification Cards	0	0	7,410	9,810	8,670	27,120
Training Center	0	34,520	74,050	0	0	0
Telehausline	1,225	0	0	0	0	0
Kundiawa Town Market		30	0	0	0	0
Others	140	0	0	0	0	0
Total PGAS Own Source Revenues	1,764,653	2,916,555	3,117,382	5,018,691	3,542,011	2,230,691

Eastern Highlands Provincial Government

EHP: SUMMARY OF REVENUES (KINA)						
	2010	2011	2012	2013	2014	2015
National Grants	12,408,084	15,959,600	21,196,204	27,514,781	29,288,906	39,731,603
Administration Grant	990,000	1,090,000	1,090,000	1,090,000	1,420,260	2,485,278
Other Services Delivery Grant	1,291,800	1,391,800	1,391,800	2,655,515	2,756,629	3,715,145
Health Function Grant	2,525,700	3,236,000	4,283,321	4,788,807	4,955,140	6,192,794
Education Function Grant	3,168,600	3,707,900	4,650,489	5,914,204	6,437,259	9,479,825
Transport Infrastructure Maintenance Function Grant	3,253,484	5,177,800	8,162,664	11,006,024	11,586,194	15,092,880
Village Court Function Grant	153,000	153,000	153,000	532,115	532,115	583,684
Land Mediation Function Grant (<i>Introduced in 2015</i>)						65,000
Primary Production Function Grant	1,025,500	1,203,100	1,464,930	1,528,116	1,601,309	2,116,998
GST distribution from IRC	10,275,488	10,822,300	10,549,990	15,368,651	20,968,885	14,988,544
Bookmakers distribution from IRC	244,739	274,025	447,093	436,165	408,852	393,344
Mining and Petroleum Royalties and Dividends	0.0	0.0	0.0	0.0	0.0	0.0
Royalties						
Dividends						
Own Source Revenues	1,356,779	1,641,960	1,734,165	3,681,170	2,475,489	2,974,631
Licenses, fees and taxes	1,305,927	1,562,040	1,659,529	1,796,993	2,313,960	2,444,109
Motor vehicles	1,091,847	1,291,219	1,404,609	1,520,645	1,679,487	2,074,790
Liquor	101,080	134,273	143,840	165,850	163,350	107,640
Gambling	0	30	309	0	420,872	227,308
Land	1,682	0	0	0	0	0
Other licenses, fees, and taxes	111,318	136,518	110,771	110,497	50,252	34,371
Commercial Receipts	39,801	73,809	68,388	77,405	161,529	238,935
Other Revenues	11,051	6,111	6,248	1,806,773	0	291,587
TOTAL REVENUES	24,285,090	28,697,884	33,927,452	47,000,768	53,142,133	58,088,122

EHP: PGAS INTERNAL REVENUE SUMMARY (KINA)						
	2010	2011	2012	2013	2014	2015
TOTAL NON OWN-SOURCE REVENUES REMOVED FROM PGAS	11,342,126	15,889,040	19,367,938	16,183,659	17,598,820	14,738,222
Revenue from former years	2,898,449	5,395,515	3,521,763	160	46,140	0
RECOVERY FROM FORMER YEARS APP	55,258	107,624	0	160	38,000	0
Recovery Former Yrs(281)	2,100,777	0	453,564	0	0	0
Recovery from former years	66,762	4,896,000	2,675,070	0	0	0
Recovery from former Yr(EHPGT)	675,652	391,891	393,129	0	8,140	0
Revenues for development purposes (e.g. SSGs)	0	0	0	0	0	0
GST/VAT distributions from IRC	8,399,945	9,874,977	10,662,750	16,183,499	17,552,590	14,738,222
Value Added Tax/ GST (IRC)	8,399,945	9,874,977	10,662,750	16,183,499	17,552,590	14,738,222
Mining and petroleum royalties and dividends	0	0	0	0	0	0
Other, including major asset sales and staffing revenue	43,732	618,548	5,183,425	0	90	0
Governor's Non-Discretionary F	0	500,000	5,000,000	0	0	0
RENTAL - RESIDENCE	41,074	12,698				
Sale of Prov.Government Assets	2,658	105,850	183,425	0	90	
Total Own Source Revenues	1,356,779	1,641,960	1,734,165	3,681,170	2,475,489	2,974,631
Licenses, fees and taxes	1,305,927	1,562,040	1,659,529	1,796,993	2,313,960	2,444,109
Motor vehicles	1,091,847	1,291,219	1,404,609	1,520,645	1,679,487	2,074,790
Motor Vehicle Registration/Lic	1,029,257	1,286,144	1,390,083	1,514,197	1,625,278	2,055,331
Provincial Road Taxes	62,590	5,075	14,526	6,448	54,209	19,459
Liquor	101,080	134,273	143,840	165,850	163,350	107,640
Liquor Licenses	101,080	134,273	143,840	165,850	163,350	107,640
Gambling	0	30	309	0	420,872	227,308
Gambling Tax/Licenses	0	30	309	0	0	0
Bookmakers	0	0	0	0	420,872	227,308
Other licenses, fees, and taxes	111,318	136,518	110,771	110,497	50,252	34,371
Hospital Fees	50,206	73,506	63,402	74,522	7,683	0
Surveying Fees	0	0	0	0	0	0
Court Fees & Fines	26,242	29,142	26,919	26,625	33,069	32,771
Project Tendering Fees	34,750	33,700	20,450	9,350	9,500	1,600
Sales & Service Taxes(Arrears)	80	170	0	0	0	0
Reimbursement Received	40	0	0	0	0	0
Land	1,682	0	0	0	0	0
LAND RATES & SURVERY FEES	1,682	0	0	0	0	0

Commercial receipts, earnings and investments	39,801	73,809	68,388	77,405	161,529	238,935
Rental - Residence			11,885	13,801	9,289	97,786
Rental - Office (Yanepa)	39,801	71,691	55,749	50,942	47,775	31,854
Mushroom Project	0	1,818	754	6,362	1,127	2,685
Highlands Acquiculture	0	0	0	0	1,828	0
Provincial Livestock				6,000	1,510	4,810
Dividend - Ehp Property Dev.					100,000	0
Sale Of Prov.Government Assets	0	0	0	0	0	101,800
Commercial Property Tax-Rental	0	300	0	0	0	0
Tow Truck Hire				300	0	0
Other revenues	11,051	6,111	6,248	1,806,773	0	291,587
Sundry Receipts	11,051	6,111	6,248	170	0	67,500
Recovery Former Years (709)				1,806,603	0	224,087
TOTAL PGAS INTERNAL REVENUES	12,698,905	17,530,999	21,102,103	19,864,830	20,074,309	17,712,853

Morobe Provincial Government

MOROBE: SUMMARY OF REVENUES (KINA)						
	2010	2011	2012	2013	2014	2015
National Grants	7,717,300	7,718,000	7,717,200	7,717,200	7,717,200	7,782,200
Administration Grant	919,300	552,300	552,300	585,300	585,300	585,300
Other Services Delivery Grant	1,001,300	1,001,300	1,000,500	967,500	967,500	967,500
Health Function Grant	1,000,000	1,275,800	1,275,800	1,275,800	1,275,800	1,275,800
Education Function Grant	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Transport Infrastructure Maintenance Function Grant	2,266,300	2,266,300	2,266,300	2,266,300	2,266,300	2,266,300
Village Court Function Grant	157,000	157,000	157,000	157,000	157,000	157,000
Land Mediation Function Grant <i>(Introduced in 2015)</i>						65,000
Primary Production Function Grant	373,400	465,300	465,300	465,300	465,300	465,300
GST distribution from IRC	30,786,285	46,763,400	57,143,208	57,844,101	76,996,981	95,697,484
Bookmakers distribution from IRC	692,322	828,644	942,707	953,366	825,053	1,015,626
Mining and Petroleum Royalties and Dividends	3,596,600	8,275,700	4,371,600	2,398,025	2,000,061	795,266
Royalties	3,596,600	8,275,700	4,371,600	2,398,025	2,000,061	795,266
Dividends						
Own Source Revenues	6,759,592	8,041,927	9,583,135	10,777,936	11,308,558	15,428,853
Licenses, fees and taxes	6,342,723	7,219,958	8,716,899	9,821,446	10,128,977	10,540,478
Motor vehicles	5,795,583	6,673,048	8,284,217	8,507,856	7,513,542	7,927,652
Liquor	547,140	546,880	432,682	1,313,590	2,615,435	2,340,670
Gambling	0	30	0	0	0	272,156
Land	0	0	0	0	0	0
Other licenses, fees, and taxes	0	0	0	0	0	0
Commercial Receipts	106,944	475,100	710,505	205,708	193,374	383,535
Other Revenues	309,925	346,869	155,731	750,782	986,207	4,504,840
TOTAL REVENUES	49,552,099	71,627,671	79,757,849	79,690,628	98,847,854	120,719,429

MOROBE: PGAS INTERNAL REVENUE SUMMARY (KINA)						
	2010	2011	2012	2013	2014	2015
TOTAL NON OWN-SOURCE REVENUES REMOVED FROM PGAS	31,246,297	53,145,605	62,117,543	68,526,462	78,449,502	100,712,313
Revenue from former years	2,623,967	5,009,027	1,745,948	9,335,030	732,812	3,947,387
Former Years Appropriation	2,623,967	5,009,027	1,745,948	9,335,030	732,812	3,947,387
Revenues for development purposes (e.g. SSGs)	0	0	0	0	0	0
GST/VAT distributions from IRC	25,000,000	42,000,000	56,000,000	56,793,407	75,716,629	95,969,660
VAT/GST	25,000,000	42,000,000	56,000,000	56,793,407	75,716,629	95,697,504
Bookmakers	0	0	0	0	0	272,156
Mining and petroleum royalties and dividends	3,622,330	6,037,748	4,371,595	2,398,025	2,000,061	795,266
HV Mining Royalties(36%)	3,622,330	6,037,748	4,371,595	2,398,025	2,000,061	795,266
Other, including major asset sales and staffing revenue		98,830	0	0	0	0
MPG Staff Rental	91,944	98,830	0	0	0	0
Total Own Source Revenues	6,759,592	8,041,927	9,583,135	10,777,936	11,308,558	15,428,853
Licenses, fees and taxes	6,342,723	7,219,958	8,716,899	9,821,446	10,128,977	10,540,478
Motor vehicles	5,795,583	6,673,048	8,284,217	8,507,856	7,513,542	7,927,652
Drivers Lic & Permit & MV Reg.	5,552,561	6,412,272	8,001,148	8,095,902	7,109,936	7,548,297
Pmv Lic.& Permit & Heavy V/Lic	243,022	260,776	283,069	411,954	403,606	379,355
Liquor	547,140	546,880	432,682	1,313,590	2,615,435	2,340,670
Liquor Trade	547,140	546,880	432,682	0	0	0
Liquor Licensing Fees				1,313,590	2,615,435	2,340,670
Gambling	0	30	0	0	0	272,156
Lottery/Games of Chance	0	30	0	0	0	0
Other licenses, fees, and taxes	0	0	0	0	0	0
Land	0	0	0	0	0	0
Land Tax	0	0	0	0	0	0
Commercial receipts, earnings and investments	106,944	475,100	710,505	205,708	193,374	383,535
MPG Staff Rental	91,944					
MPG Housing Rentals			91,205	82,308	119,774	379,380
MPG District Housing Rentals		600	0	0	0	0
Property Disposal/sale	15,000	222,000	186,500	18,400	3,600	4,155
Old A/port L/Lease & C/Storage		252,500	432,800	105,000	70,000	0
Other revenues	309,925	346,869	155,731	750,782	986,207	4,504,840
Prov.Building Board Fees		48,587	12,265	23,835	98,200	38,310
Sundries	309,925	298,283	143,466	726,947	888,007	4,466,530
TOTAL PGAS INTERNAL REVENUES	38,005,889	61,187,532	71,700,677	79,304,398	89,758,060	116,141,166

Madang Provincial Government

MADANG: SUMMARY OF REVENUES (KINA)						
	2010	2011	2012	2013	2014	2015
National Grants	15,578,152	17,022,600	22,334,293	27,283,360	38,755,145	41,338,255
Administration Grant	704,750	704,900	811,134	811,134	3,129,313	3,441,702
Other Services Delivery Grant	1,683,655	1,683,700	2,214,869	3,699,590	3,699,590	3,715,209
Health Function Grant	3,889,416	4,452,700	5,515,039	6,405,871	8,497,631	9,011,510
Education Function Grant	3,264,139	3,307,500	4,369,839	5,161,689	8,147,962	8,833,134
Transport Infrastructure Maintenance Function Grant	5,197,692	5,818,700	7,571,559	8,363,409	11,600,842	12,322,719
Village Court Function Grant	78,300	78,300	343,885	343,885	505,217	554,158
Land Mediation Function Grant (<i>Introduced in 2015</i>)						65,000
Primary Production Function Grant	760,200	976,800	1,507,969	2,497,783	3,174,590	3,394,824
GST distribution from IRC	4,035,488	5,971,200	4,746,634	7,455,180	9,795,355	11,610,768
Bookmakers distribution from IRC	623,827	728,795	848,651	905,605	1,158,981	1,024,757
Mining and Petroleum Royalties and Dividends	0.0	0.0	0.0	0.0	0.0	0.0
Royalties						
Dividends						
Own Source Revenues	1,676,578	1,943,196	1,809,140	2,470,685	2,747,870	1,771,097
Licenses, fees and taxes	1,533,734	1,811,563	1,727,865	2,345,511	2,312,191	1,587,125
Motor vehicles	1,330,852	1,574,648	1,546,415	1,789,857	1,872,280	1,276,282
Liquor	174,500	152,580	163,180	251,760	291,700	242,630
Gambling	0	50,000	0	0	0	0
Land	0	0	0	100	0	0
Other licenses, fees, and taxes	28,382	34,335	18,270	303,794	148,211	68,213
Commercial Receipts	137,148	102,696	63,305	100,770	416,322	175,654
Other Revenues	5,696	28,937	17,971	24,404	19,357	8,318
TOTAL REVENUES	21,914,045	24,936,996	28,890,067	37,209,225	51,298,370	54,720,121

MADANG: PGAS INTERNAL REVENUE SUMMARY (KINA)

	2010	2011	2012	2013	2014	2015
TOTAL NON OWN-SOURCE REVENUES REMOVED FROM PGAS	6,459,414	10,231,611	6,806,177	9,486,498	10,989,756	10,634,046
Revenue from former years	2,760,202	4,260,411	2,059,577	175,454	43,985	38,074
Former Years Appropriation	2,760,202	1,260,411	58,677	175,414	43,985	38,074
Prov.Develop.Imp.Progr. R/Over		3,000,000	2,000,900	40	0	0
Revenues for development purposes (e.g. SSGs)	0	0	0	0	0	0
GST/VAT distributions from IRC	3,699,212	5,971,200	4,746,600	7,455,180	9,795,360	9,675,670
GST (60% Disbursement)	3,699,212	5,971,200	4,746,600	7,455,180	9,795,360	9,675,670
Bookmakers Tax				1,855,864	1,150,411	920,302
Bookmakers Tax				1,855,864	1,150,411	920,302
Mining and petroleum royalties and dividends	0	0	0	0	0	0
Other, including major asset sales and staffing revenue	0	0	0	0	0	0
TOTAL OWN SOURCE REVENUES	1,676,578	1,969,004	1,809,140	2,470,685	2,747,870	1,771,097
Licenses, fees and taxes	1,533,734	1,811,563	1,727,865	2,345,511	2,312,191	1,587,125
Motor vehicles	1,330,852	1,574,648	1,546,415	1,789,857	1,872,280	1,276,282
Driving Licence Fees	147,435	222,135	193,318	193,850	245,035	164,737
Heavy Motor Licence Fees	82,738	82,518	65,774	109,724	101,830	82,300
Motor Vehicle Insurance Commis	21,375	25,232	24,314	0	0	0
Motor Vehicle Reg. Fees	975,366	1,137,185	1,103,075	1,408,569	1,442,899	974,364
PMV Licence Fees	52,055	68,015	64,915	71,605	75,936	54,281
MPG Driving Permit & ID Fees	2,260	1,130	1,770	6,110	6,580	600
Prov. Land Transport Fees	49,623	38,433	93,250	0	0	0
Liquor	174,500	152,580	163,180	251,760	291,700	242,630
Liquor Licensing Fees	174,500	152,580	163,180	251,760	291,700	242,630
Gambling	0	50,000	0	0	0	0
Gambling	0	50,000	0	0	0	0
Other licenses, fees, and taxes	28,382	34,335	18,270	303,794	148,211	68,213
Abattoir Slaughter Fees	0	5,615	770	6,560	0	0
Business Dev. Centre Fees	300	450	1,300	9,245	0	0
Education Resource Centre Fees	92	780	0	1,796	0	0
Tender Board Fees	24,700	15,590	15,000	1,430	3,290	11,353
Pre-Qualification/Arch Desg/Fe	3,290	11,900	1,200	18,200	2,410	25,400
Land T/Sport Brd Contr Fees				266,563	142,511	31,460
Land	0	0	0	100	0	0
Portion 50 Land Appl Fees				100	0	0

Commercial receipts, user charges, returns on investments etc.	137,148	128,504	63,305	100,770	416,322	175,654
Disposal of Assets	0	88,230	31,000	76,400	37,500	5,000
Export Log Levy	119,230	7,369	10,000	750	359,587	160,568
Cash Crops and DPI Sales	700	3,390	0	0	0	0
Minor Power House	1,878	2,868	2,133	1,786	1,924	1,189
Printing Charges (Information)	120	840	0	576	0	0
Fisheries Landing Fees			30	0	0	0
MCC Grant-Ramu Nickel			95	5,180	0	0
Rents	15,220	25,808	20,047	0	0	0
MPG Housing Rentals				16,078	17,311	8,898
Other revenues	5,696	28,937	17,971	24,404	19,357	8,318
Sundry Revenue	5,696	19,497	12,971	3,504	19,357	8,318
Stale/Cancelled Cheque Fees	0	9,440	5,000	20,900	0	0
Total PGAS INTERNAL Revenues	8,135,992	12,200,615	8,615,317	11,957,183	13,737,626	12,405,143

East Sepik Provincial Government

ESP: SUMMARY OF REVENUES (KINA)						
	2010	2011	2012	2013	2014	2015
National Grants	17,542,779	22,584,000	29,804,934	34,333,630	51,141,671	55,431,329
Administration Grant	645,000	645,000	1,006,047	1,006,047	2,686,851	3,160,914
Other Services Delivery Grant	1,452,253	1,452,300	2,896,487	3,485,217	3,485,217	3,722,249
Health Function Grant	4,813,919	6,074,200	7,518,387	8,197,691	11,055,058	11,468,419
Education Function Grant	3,315,927	4,072,100	6,238,380	6,645,963	11,184,134	12,300,207
Transport Infrastructure Maintenance Function Grant	6,297,781	8,818,400	9,540,493	12,302,998	18,690,053	20,260,823
Village Court Function Grant	167,300	167,300	528,347	528,347	696,427	820,435
Land Mediation Function Grant (<i>Introduced in 2015</i>)						65,000
Primary Production Function Grant	850,600	1,354,700	2,076,793	2,167,367	3,343,930	3,633,283
GST distribution from IRC	2,035,978	3,139,500	4,436,414	4,336,618	7,356,860	8,529,203
Bookmakers distribution from IRC	0.0	0.0	0.0	0.0	0.0	0.0
Mining and Petroleum Royalties and Dividends	0.0	0.0	0.0	0.0	0.0	0.0
Royalties						
Dividends						
Own Source Revenues	1,918,332	2,398,116	2,161,094	2,280,952	3,048,244	2,984,653
Licenses, fees and taxes	1,600,140	2,017,061	1,731,177	1,313,461	2,824,523	2,723,366
Motor vehicles	919,543	1,168,615	1,154,371	902,918	1,322,977	1,261,890
Liquor	678,707	847,747	576,807	409,843	1,501,176	1,461,177
Gambling	300	700	0	700	350	300
Land	1,440	0	0	0	0	0
Other licenses, fees, and taxes	150	0	0	0	20	0
Commercial Receipts	93,734	171,638	152,824	136,636	214,326	226,036
Other Revenues	224,458	209,417	277,092	830,855	9,394	35,250
TOTAL REVENUES	21,497,089	28,121,616	36,402,442	40,951,200	61,546,774	66,945,185

EAST SEPIK: PGAS INTERNAL REVENUE SUMMARY (KINA)						
	2010	2011	2012	2013	2014	2015
TOTAL NON OWN-SOURCE REVENUES REMOVED FROM PGAS	4,171,108	3,139,502	5,036,943	3,976,738	6,743,792	7,818,436
Revenue from former years	2,245,988	2	600,543	1,503	0	0
Former Years Appropriation NAT	0	0	0	1,503	0	0
Former Years Appropriation Pro	2,245,988	2	600,543	0	0	0
Revenues for development purposes (e.g. SSGs)	0	0	0	0	0	0
GST/VAT distributions from IRC	1,925,120	3,139,500	4,436,400	3,975,235	6,743,792	7,818,436
VAT/GST	1,925,120	3,139,500	4,436,400	3,975,235	6,743,792	7,818,436
Mining and petroleum royalties and dividends	0	0	0	0	0	0
Other, including major asset sales and staffing revenue	0	0	0	0	0	0
Total Own Source Revenues	1,918,332	2,398,116	2,161,094	2,280,952	3,048,244	2,984,653
Licenses, fees and taxes	1,600,140	2,017,061	1,731,177	1,313,461	2,824,523	2,723,366
Motor vehicles	919,543	1,168,615	1,154,371	902,918	1,322,977	1,261,890
Land Transport Fees	223,844	403,490	327,239	245,797	489,120	1,261,890
M.V.I.L.	695,698	765,125	827,131	657,122	833,857	0
Liquor	678,707	847,747	576,807	409,843	1,501,176	1,461,177
Liquor Licensing Fees	678,707.2	847,746.5	576,806.5	409,842.8	1,501,176.1	1,461,176.6
Gambling	300.0	700.0	0.0	700.0	350.0	300.0
Games of Chances	300.0	700.0	0.0	700.0	350.0	300.0
Other licenses, fees, and taxes	150.0	0.0	0.0	0.0	20.0	0.0
Alluvial Gold Fees	150.0	0.0	0.0	0.0	0.0	0.0
Land	1,440	0	0	0	0	0
Land Fees	1440.0	0.0	0.0	0.0	0.0	0.0
Commercial receipts, user charges, returns on investments etc.	93,734	171,638	152,824	136,636	214,326	226,036
Investment & Service Returns	53,094	63,500	12,000	33,000	34,728	18,660
Royalty (Timber and Marine)	40,640	108,138	140,824	103,636	179,598	207,376
Other revenues	224,458	209,417	277,092	830,855	9,394	35,250
Miscellaneous Fees & Levies	224,458	209,417	277,092	830,855	9,394	35,250
Total PGAS Internal Revenues	1,918,332	2,398,116	2,161,094	2,280,952	3,048,244	2,984,653

Sandaun Provincial Government

SANDAUN (WEST SEPIK): SUMMARY OF REVENUES (KINA)						
	2010	2011	2012	2013	2014	2015
National Grants	11,052,111	14,355,800	19,065,673	27,274,043	35,921,250	39,171,871
Administration Grant	620,000	620,000	855,494	937,577	3,436,038	3,737,556
Other Services Delivery Grant	1,405,500	1,405,500	1,876,487	2,779,408	2,779,408	2,884,939
Health Function Grant	3,351,600	4,540,900	5,011,887	6,161,059	9,208,565	10,429,210
Education Function Grant	2,755,874	3,416,600	4,358,575	7,724,006	9,102,674	9,712,997
Transport Infrastructure Maintenance Function Grant	2,469,937	3,560,200	5,444,149	6,757,488	7,598,582	8,080,416
Village Court Function Grant	67,100	67,100	302,594	302,594	352,080	400,263
Land Mediation Function Grant <i>(Introduced in 2015)</i>						65,000
Primary Production Function Grant	382,100	745,500	1,216,487	2,611,910	3,443,902	3,861,491
GST distribution from IRC	317,100	657,400	1,127,960	1,434,612	1,392,864	1,358,545
Bookmakers distribution from IRC	0.0	0.0	0.0	0.0	0.0	0.0
Mining and Petroleum Royalties and Dividends	0.0	0.0	0.0	0.0	0.0	0.0
Royalties						
Dividends						
Own Source Revenues	1,195,450	2,067,422	1,200,065	2,127,076	2,338,152	1,814,381
Licenses, fees and taxes	692,426	811,106	849,364	1,746,859	1,627,228	1,402,159
Motor vehicles	500,765	586,760	519,328	843,004	786,727	835,486
Liquor	61,955	73,880	137,390	202,420	145,800	143,540
Gambling	0	0	0	0	0	0
Land	0	0	0	0	0	0
Other licenses, fees, and taxes	129,707	150,466	192,645	701,436	694,701	423,133
Commercial Receipts	443,595	827,268	350,641	380,217	350,730	381,937
Other Revenues	59,429	429,048	60	0	360,194	30,285
TOTAL REVENUES	12,564,661	17,080,622	21,393,699	30,835,731	39,652,266	42,344,797

SANDAUN (WEST SEPIK): PGAS INTERNAL REVENUE SUMMARY (KINA)						
	2010	2011	2012	2013	2014	2015
TOTAL NON OWN-SOURCE REVENUES REMOVED FROM PGAS	1,916,409	692,543	1,879,067	1,620,499	1,071,831	1,596,488
Revenue from former years	553,619	144,663	0	0	0	0
Former Years Appropriation 99	553,619	144,663	0	0	0	0
Revenues for development purposes (e.g. SSGs)	1,000,090	0	368,279	240,170	0	0
Unspent 1999 Dist/Support Gran	1,000,090	0	0	0	0	0
PPII Funds Transfer			368,279	240,170	0	0
GST/VAT distributions from IRC	361,850	547,830	1,510,787	1,380,329	1,071,831	1,361,405
Sales and Services Tax	361,850	547,830	1,510,787	1,380,329	1,071,831	1,361,405
Mining and petroleum royalties and dividends	0	0	0	0	0	0
Other, including major asset sales and staffing revenue	850	50	0	0	0	235,083
SPG Air Charters						235,083
TOTAL OWN SOURCE REVENUES	1,196,300	2,067,472	1,200,065	2,127,076	2,338,152	1,814,381
Licenses, fees and taxes	692,426	811,106	849,364	1,746,859	1,627,228	1,402,159
Motor vehicles	500,765	586,760	519,328	843,004	786,727	835,486
Motor Vehicle Registration	429,673	512,285	443,123	694,336	685,892	681,551
Heavy Motor Vehicle License	34,800	11,100	0	22,624	22,615	68,265
PMV License	8,822	12,710	14,635	0	0	0
PMV Registration Fees				20,174	12,410	9,740
Driving License	27,470	48,165	55,550	93,700	60,165	71,310
Traffic Infringement Notice	0	2,500	6,020	12,170	5,645	4,620
Liquor	61,955	73,880	137,390	202,420	145,800	143,540
Liquor Licensing Fees	55,775	73,880	125,140	196,250	144,300	133,800
Liquor Fines	6,180	0	12,250	6,170	1,500	9,740
Gambling	0	0	0	0	0	0
Other licenses, fees, and taxes	129,707	150,466	192,645	701,436	694,701	423,133
Physical Planning Fee	3,297	4,920	7,299	3,302	12,962	2,543
SPG Taxes	126,410	145,546	185,346	698,134	681,739	420,590
Land	0	0	0	0	0	0

Commercial receipts, earnings and investments	444,445	827,318	350,641	380,217	350,730	381,937
Rentals (SPG Houses)	850	50	300	0	0	0
Disposal of Assets	0	0	36,200	310	0	28,810
SPG Timber Levies (VFP)	262,636	500,244	60,216	0	0	0
Amanab FMA (1-4)	108,556	132,050	108,634	230,515	192,985	225,642
Amanab FMA (5-6)	72,402	194,973	145,291	149,392	157,745	127,485
Other revenues	59,429	429,048	60	0	360,194	30,285
Weighing Bridge						29,497
Sundry Receipts	59,429	429,048	60	0	360,194	788
TOTAL PGAS INTERNAL REVENUES	3,112,709	2,760,015	3,079,132	3,747,575	3,409,983	3,410,869

Manus Provincial Government

MANUS: SUMMARY OF REVENUES (KINA)						
	2010	2011	2012	2013	2014	2015
National Grants	5,672,964	7,507,500	10,058,067	12,779,805	15,717,644	16,699,210
Administration Grant	279,883	738,500	815,017	894,117	1,998,273	2,055,980
Other Services Delivery Grant	788,643	788,600	865,117	1,976,043	2,050,143	2,078,997
Health Function Grant	1,269,833	1,526,700	2,138,836	2,596,549	2,596,549	2,674,667
Education Function Grant	1,362,323	1,619,200	2,231,336	2,724,084	3,047,101	3,183,807
Transport Infrastructure Maintenance Function Grant	1,797,482	2,421,200	3,160,864	3,633,247	4,606,924	4,948,690
Village Court Function Grant	73,300	73,300	175,323	229,757	373,963	471,611
Land Mediation Function Grant <i>(Introduced in 2015)</i>						65,000
Primary Production Function Grant	101,500	340,000	671,574	726,008	1,044,692	1,220,458
GST distribution from IRC	224,016	205,600	188,879	717,989	586,215	1,192,935
Bookmakers distribution from IRC	0.0	0.0	0.0	0.0	0.0	0.0
Mining and Petroleum Royalties and Dividends	0.0	0.0	0.0	0.0	0.0	0.0
Royalties						
Dividends						
Own Source Revenues	372,012	2,768,086	1,061,034	1,546,234	679,900	759,909
Licenses, fees and taxes	149,110	243,157	229,043	226,562	308,856	270,271
Motor vehicles	86,518	141,657	140,443	143,262	242,756	227,643
Liquor	62,592	101,500	88,600	83,300	66,100	35,000
Gambling	0	0	0	0	0	0
Land	0	0	0	0	0	0
Other licenses, fees, and taxes	0	0	0	0	0	7,628
Commercial Receipts	212,302	231,469	213,857	194,282	228,424	464,424
Other Revenues	10,600	2,293,460	618,134	1,125,390	142,620	25,214
TOTAL REVENUES	6,268,991	10,481,186	11,307,980	15,044,028	16,983,759	18,652,054

MANUS: PGAS INTERNAL REVENUE SUMMARY (KINA)						
	2010	2011	2012	2013	2014	2015
TOTAL NON OWN-SOURCE REVENUES REMOVED FROM PGAS	4,800,610	575,199	233,614	866,052	665,044	1,264,079
Revenue from former years	4,463,378	300,000	0	0	0	0
Recovery From Former Years	4,463,378	0	0	0	0	0
Educ Rehab Carryover		300,000	0	0	0	0
Revenues for development purposes (e.g. SSGs)	0	0	0	0	0	0
GST/VAT distributions from IRC	130,969	188,463	188,904	717,984	537,361	1,192,896
Sales And Services Tax (Vat/Gst)	130,969	188,463	188,904	717,984	537,361	1,192,896
Mining and petroleum royalties and dividends	140,583	52,324	44,710	148,068	127,683	71,183
Timber Royalty	140,583	0	0	0	0	0
TIMBER LEVIES		52,324	44,710	148,068	127,683	71,183
Other, Including Major Asset Sales And Staffing Revenue	65,679	34,412	0	0	0	0
Housing Rental	65,679	34,412				
TOTAL OWN SOURCE REVENUES	372,012	2,768,086	1,061,034	1,546,234	679,900	759,909
Licenses, fees and taxes	149,110	243,157	229,043	226,562	308,856	270,271
Motor vehicles	86,518	141,657	140,443	143,262	242,756	227,643
Motor Vehicle Registration & Licenses	86,518	141,657	140,443	143,262	242,756	227,643
Liquor	62,592	101,500	88,600	83,300	66,100	35,000
Liquor Licensing	62,592	101,500	88,600	83,300	66,100	35,000
Gambling	0	0	0	0	0	0
Other licenses, fees, and taxes	0	0	0	0	0	7,628
Traffic Infringement Fines						2,330
Tender Board Fees						1,400
Business Dev Fees&Charges						3,898
Land	0	0	0	0	0	0
Commercial receipts, earnings and investments	212,302	231,469	213,857	194,282	228,424	464,424
Investment /Dividends	16,000	0	7,500	0	10,440	173,000
Housing Rental			23,298	19,019	22,621	28,730
Office Rental	122,752	146,785	144,985	114,879	143,056	166,156
Printing Charges	10,347	9,181	70	25,047	19,529	16,059
Produce Marketing	63,203	70,834	37,404	34,905	9,680	0
Other Sales (Fish And Manus Soap)					21,068	37,278
Land Lease	0	4,668	600	432	2,030	2,814
Disposal Of Assets	0	0	0	0	0	40,385
Other revenues	10,600	2,293,460	618,134	1,125,390	142,620	25,214
Sundries	10,600	23,500	0	0	0	0
Miscellaneous Revenue	0	2,269,960	618,134	1,125,390	142,620	25,214
TOTAL PGAS INTERNAL REVENUES	5,172,622	3,343,285	1,294,649	2,412,287	1,344,944	2,023,988

New Ireland Provincial Government

NEW IRELAND: SUMMARY OF REVENUES (KINA)						
	2010	2011	2012	2013	2014	2015
National Grants	3,903,575	3,608,600	2,409,478	2,170,000	2,170,000	2,235,000
Administration Grant	184,700	37,300	25,309	25,309	25,309	25,309
Other Services Delivery Grant	184,700	110,900	50,944	50,944	50,944	50,944
Health Function Grant	1,160,066	1,160,100	848,328	783,669	783,669	783,669
Education Function Grant	845,000	771,200	579,340	555,393	555,393	555,393
Transport Infrastructure Maintenance Function Grant	930,109	930,100	570,363	496,125	496,125	496,125
Village Court Function Grant	51,700	51,700	27,718	27,718	27,718	27,718
Land Mediation Function Grant (<i>Introduced in 2015</i>)						65,000
Primary Production Function Grant	547,300	547,300	307,476	230,843	230,843	230,843
GST distribution from IRC	2,247,025	2,542,000	3,741,122	4,740,100	6,990,747	7,624,881
Bookmakers distribution from IRC	89,005	86,384	62,445	0.0	0.0	0.0
Mining and Petroleum Royalties and Dividends	5,112,700	13,081,500	20,676,000	26,788,384	21,277,918	25,236,717
Royalties	5,112,700	13,081,500	20,676,000	26,788,384	21,277,918	25,236,717
Dividends						
Own Source Revenues	1,270,897	1,210,237	1,201,009	626,626	1,861,984	1,483,540
Licenses, fees and taxes	778,559	1,020,721	1,039,267	563,422	1,475,876	1,277,165
Motor vehicles	622,782	841,571	887,567	394,947	1,132,155	914,199
Liquor	155,777	179,150	125,856	168,475	319,720	261,220
Gambling	0	0	0	0	0	0
Land	0	0	25,745	0	7,552	35,557
Other licenses, fees, and taxes	0	0	100	0	16,449	66,189
Commercial Receipts	137,537	14,418	161,171	63,204	380,608	206,375
Other Revenues	354,801	175,097	571	0	5,500	0
TOTAL REVENUES	12,623,202	20,528,720	28,090,055	34,325,111	32,300,648	36,580,138

NIP: PGAS INTERNAL REVENUE SUMMARY (KINA)						
	2010	2011	2012	2013	2014	2015
TOTAL NON OWN-SOURCE REVENUES REMOVED FROM PGAS	20,641,365	38,391,682	34,903,787	12,288,290	28,172,048	18,779,056
Revenue from former years	1,712,221	15,837,427	1,679,727	46,304	84	490,525
Recovery - Former Years Approp	190,515	460	1,679,727	46,304	84	0
2008 Former Years Appropriation	1,520,807	12,236,967	0	0	0	0
Transfers from PG Grant Account		3,600,000	0	0	0	0
Own Source Revenue Carry Over						490,525
Unspent Grants 1999	900		0	0	0	0
Revenues for development purposes (e.g. SSGs)	0	0	7,110,050	0	0	0
NEC SSG Adjustments (1%)			7,110,050	0	0	0
GST/VAT distributions from IRC	2,059,750	2,541,996	4,052,854	1,975,040	6,990,744	5,718,672
VAT / GST	2,059,750	2,541,996	4,052,854	1,975,040	6,990,744	5,718,672
Mining and petroleum royalties and dividends	16,807,793	19,953,267	22,052,485	10,266,318	21,174,365	8,565,766
Provincial Government Royalty	4,937,009	19,953,267	22,052,485	10,266,318	21,174,365	8,565,766
Mineral Royalties - Kav. Dist.	5,625,189	0	0	0	0	0
Mineral Royalties-Nti District	6,245,595	0	0	0	0	0
Other, including major asset sales and staffing revenue	61,601	58,992	8,671	628	6,855	4,004,093
Leavefare Contrib.Public Serva	3,674	3,857	2,312	628	2,440	3,992
Repaid Salaries/LWOP			180	0	0	0
Refund - Cash Advances			6,178	0	4,415	1
Rental NIPG Housing	57,927	55,135				
Miscellaneous						4,000,100
Total Own Source Revenues	1,270,897	1,210,237	1,201,009	626,626	1,861,984	1,483,540
Licenses, fees and taxes	778,559	1,020,721	1,039,267	563,422	1,475,876	1,277,165
Motor vehicles	622,782	841,571	887,567	394,947	1,132,155	914,199
Motor Vehicle Registration	620,596	760,941	563,505	232,130	799,322	586,223
Prov. Road Users Tax	2,187	80,630	360	0	0	10
Traffic Infringement Notice Fin			9,690	1,585	10,670	7,488
Drivers Licence Fees			192,960	74,175	151,821	147,140
Heavy Motor Veh.&PMV D/L Fees			40,411	12,575	28,478	26,878
D/Permit & Identity Card Fees			13,535	4,170	14,295	13,590
Heavy M/Vehicle Regist.Fees			24,844	46,085	47,099	37,975
PMV Registration Fees			42,262	24,226	80,470	94,895

	2010	2011	2012	2013	2014	2015
Liquor	155,777	179,150	125,856	168,475	319,720	261,220
Fees (Licensing of places) Liquor Licenses	155,777	179,150	123,436	168,475	319,720	259,220
Liquor Fines						2,000
Liquor Tax			2,420	0	0	0
Gambling	0	0	0	0	0	0
Other licenses, fees, and taxes	0	0	100	0	16,449	66,189
Tender Board Fees			100	0	1,200	58,335
Small Craft Licensing						100
Physical Planning Board Fees					15,891	7,701
Survey Fees					358	53
Land	0	0	25,745	0	7,552	35,557
Land Tax			25,745	0	3,575	5,252
Land Valuation Fees					498	4,550
Land Application Fees						450
Land Rentals					3,479	25,305
Commercial receipts, user charges, returns on investments etc.	137,537	14,418	161,171	63,204	380,608	206,375
Electricity Charges Outstation	81,977	12,818	0	0	0	0
Electricity Charges	0	0	3,430	0	0	0
Disposal of Assets	55,060	100	22,040	48,951	152,975	76,880
Rental NIPG Housing			54,491	14,253	22,409	4,928
Rental- Business Prom. Centre	500	1,500	1,020	0	897	63,539
Timber Levies			80,190	0	204,327	61,028
Other revenues	354,801	175,097	571	0	5,500	0
Cash on Hand 31/12/99		200	0	0	0	0
Miscellaneous	354,801	174,897	571	0	5,500	
Total PGAS Internal Revenues	21,912,262	39,601,918	36,104,796	12,914,916	30,034,032	20,262,596

East New Britain Provincial Government

ENB: SUMMARY OF REVENUES (KINA)						
	2010	2011	2012	2013	2014	2015
National Grants	7,899,422	9,049,200	13,552,158	20,098,410	19,424,978	19,855,243
Administration Grant	81,100	81,100	81,100	146,563	146,563	112,112
Other Services Delivery Grant	339,702	454,700	589,789	3,404,677	3,286,604	3,188,175
Health Function Grant	1,737,231	2,082,200	3,883,383	3,883,383	3,751,482	3,819,721
Education Function Grant	2,303,807	2,591,200	3,266,644	6,343,382	6,127,367	6,332,084
Transport Infrastructure Maintenance Function Grant	1,839,683	2,242,100	4,043,283	4,501,521	4,356,690	4,506,816
Village Court Function Grant	70,600	70,600	70,600	208,625	201,509	208,333
Land Mediation Function Grant <i>(Introduced in 2015)</i>						65,000
Primary Production Function Grant	1,527,300	1,527,300	1,617,359	1,610,259	1,554,763	1,623,002
GST distribution from IRC	8,516,548	10,922,800	9,611,438	10,982,080	14,804,863	17,414,427
Bookmakers distribution from IRC	285,309	317,966	345,998	330,910	369,951	206,994
Mining and Petroleum Royalties and Dividends	0.0	0.0	0.0	0.0	0.0	0.0
Royalties						
Dividends						
Own Source Revenues	3,981,095	3,026,210	4,345,448	5,385,013	5,797,635	3,839,907
Licenses, fees and taxes	2,842,153	2,648,329	2,839,746	3,288,646	3,576,765	3,426,303
Motor vehicles	1,939,679	2,393,354	2,632,598	3,069,560	3,322,736	3,213,407
Liquor	168,415	173,724	201,171	214,538	222,964	204,721
Gambling	0	0	0	0	0	0
Land	734,059	81,251	5,976	4,548	31,066	8,174
Other licenses, fees, and taxes	0	0	0	0	0	0
Commercial Receipts	1,041,490	60,110	1,233,089	1,724,102	1,846,155	282,896
Other Revenues	97,452	317,771	272,614	372,265	374,715	130,708
TOTAL REVENUES	20,397,065	22,998,210	27,509,044	36,465,503	40,027,476	41,109,578

ENB: PGAS INTERNAL REVENUE SUMMARY (KINA)						
	2010	2011	2012	2013	2014	2015
TOTAL NON OWN-SOURCE REVENUES REMOVED FROM PGAS	16,526,119	6,682,570	11,325,212	11,328,076	35,246,353	17,591,955
Revenue from former years	13,000	0	0	0	0	0
Former Years Appropriations	13,000	0	0	0	0	0
Revenues for development purposes (e.g. SSGs)	0	0	0	0	0	0
GST/VAT distributions from IRC	7,097,173	5,461,547	8,810,450	10,982,076	14,804,868	17,414,400
VAT on Goods (GST)	7097173	5,461,547	8,810,450	10,982,076	14,804,868	17,414,400
Bookmakers Tax	0	6,894	0	346,000	441,485	177,555
Bookmakers Tax		6,894	0	346,000	441,485	177,555
Mining and petroleum royalties and dividends	0	0	0	0	0	0
Other, including major asset sales and staffing revenue	9,415,946	1,214,129	2,514,762	0	20,000,000	0
Gaz Water Supply Former Years	2,730,000	0	0	0	0	0
Pomio Interg.Dev.Proj.F/Years	4,330,000	0	0	0	0	0
Rabaul Town Drainage F/Years	269,203	0	0	0	0	0
Relocat.Of Matupit Isd.F/Years	1,488,237	0	0	0	0	0
PSIP-Governor's Funding		1,000,000	2,000,000	0	0	0
ENB Sub National Strategy	598,505	214,129	514,762	0	0	0
Kokopo Tourism Hub					20,000,000	0
Total Own Source Revenues	3,981,095	3,026,210	4,345,448	5,385,013	5,797,635	3,839,907
Licenses, fees and taxes	2,842,153	2,648,329	2,839,746	3,288,646	3,576,765	3,426,303
Motor vehicles	1,939,679	2,393,354	2,632,598	3,069,560	3,322,736	3,213,407
Motor Vehicle Registration	1,444,488	1,968,028	1,968,539	2,239,186	2,393,867	2,265,529
Driving Licenses	311,336	287,969	414,321	525,423	566,749	635,836
TIN Fees	9,475	1,265	35,029	99,991	156,865	110,770
Toll Fees	174,380	136,092	214,709	204,960	205,255	201,272
Liquor	168,415	173,724	201,171	214,538	222,964	204,721
Liquor Licenses	168,415	173,724	201,171	214,538	222,964	204,721
Gambling	0	0	0	0	0	0
Other licenses, fees, and taxes	0	0	0	0	0	0
Land	734,059	81,251	5,976	4,548	31,066	8,174
Land Rates Tax/Rentals/Leases	734,059	81,251	5,976	4,548	31,066	8,174
Commercial receipts, user charges, returns on investments etc.	1,041,490	60,110	1,233,089	1,724,102	1,846,155	282,896
Commercial Earnings(ENB Dev.Co)	830,060	110	1,152,695	1,560,000	1,660,000	0
Short Term Investments	1,430	0	0	0	72,833	182,081
AH-TAM Wharf	210,000	60,000	80,393	164,102	113,323	100,815
Other revenues	97,452	317,771	272,614	372,265	374,715	130,708
Sundries	97,452	317,771	272,614	372,265	276,908	130,708
Stale Cheques					97,807	0
TOTAL PGAS INTERNAL REVENUES	20,507,214	9,708,780	15,670,660	16,713,089	41,043,988	21,431,862

West New Britain Provincial Government

WEST NEW BRITAIN: SUMMARY OF REVENUES (KINA)						
	2010	2011	2012	2013	2014	2015
National Grants	6,989,400	9,464,800	13,002,101	14,312,415	11,471,986	12,221,415
Administration Grant	61,000	61,000	61,000	61,000	61,000	101,665
Other Services Delivery Grant	61,000	61,000	1,051,444	1,675,118	1,342,773	1,391,571
Health Function Grant	767,900	2,005,600	2,642,314	3,050,648	2,446,570	2,629,637
Education Function Grant	1,167,900	2,405,600	3,785,148	4,521,717	3,619,468	3,794,907
Transport Infrastructure Maintenance Function Grant	435,700	1,673,400	2,168,622	2,299,631	1,845,004	2,050,954
Village Court Function Grant	165,300	165,300	200,673	220,700	176,814	184,442
Land Mediation Function Grant <i>(Introduced in 2015)</i>						65,000
Primary Production Function Grant	4,330,600	3,092,900	3,092,900	2,483,600	1,980,357	2,003,240
GST distribution from IRC	5,560,389	3,964,300	3,930,148	7,031,417	9,112,012	11,909,316
Bookmakers distribution from IRC	203,276	139,567	152,589	105,114	34,027	0.0
Mining and Petroleum Royalties and Dividends	0.0	0.0	0.0	0.0	0.0	0.0
Royalties						
Dividends						
Own Source Revenues	8,877,434	10,031,751	8,814,182	18,609,037	22,635,318	38,232,696
Licenses, fees and taxes	1,633,685	2,346,350	2,109,537	1,130,290	2,481,256	2,414,729
Motor vehicles	1,168,267	1,566,070	1,577,572	428,657	1,784,343	1,400,180
Liquor	464,663	765,780	526,140	699,473	689,663	713,670
Gambling	0	0	0	0	0	0
Land	755	0	0	0	0	0
Other licenses, fees, and taxes	0	14,500	5,825	2,160	7,250	300,879
Commercial Receipts	7,013,275	7,685,401	6,654,843	13,684,638	20,128,014	35,309,986
Other Revenues	230,474	0	49,802	3,794,109	26,048	507,981
TOTAL REVENUES	21,630,499	23,600,418	25,899,021	40,057,982	43,253,343	62,363,427

WNB: PGAS INTERNAL REVENUE SUMMARY (KINA)						
	2010	2011	2012	2013	2014	2015
TOTAL NON OWN-SOURCE REVENUES REMOVED FROM PGAS	11,037,698	20,175,515	34,401,669	7,381,818	9,835,410	11,911,469
Revenue from former years	5,900,921	6,325,350	7,298,039	173	685,333	2,165
Former Years Appropriation	5,900,921	1,075,350	0	0	0	0
Former Years - Development			7,142,865	0	685,333	2,165
Formers Years - Recurrent			155,174	173	0	0
PSIP Former Years		5,250,000	0	0	0	0
Revenues for development purposes (e.g. SSGs)	0	0	10,000,000	0	0	0
Kimbe Sec Rehab Phase 1			1,000,000	0	0	0
Kimbe Hospital - Nursing Dorm			4,000,000	0	0	0
Kimbe Kandrian Roads			5,000,000	0	0	0
GST/VAT distributions from IRC	5,097,037	3,964,296	3,930,096	7,342,733	9,112,018	11,909,304
GST/VAT	5,097,037	3,964,296	3,930,096	7,342,733	9,112,018	11,909,304
Bookmakers Tax			0	22,443	38,059	0
Book Makers	0	0	0	22,443	38,059	0
Mining and petroleum royalties and dividends	0	0	0	0	0	0
Other, including major asset sales and staffing revenue	39,740	9,885,869	13,173,534	16,469	0	0
Retail Sales Tax - Services	0	0	2,162,474	16,469	0	0
Housing Rental {WNBPG}	39,740					
Kimbe Town Roads		5,000,000	70	0	0	0
Others		385,869	10,990	0	0	0
Sea Transport Assistance		2,500,000	0	0	0	0
Prov Health Facilities Improv		1,000,000	0	0	0	0
Provincial Road Assistance		1,000,000	11,000,000	0	0	0
TOTAL OWN SOURCE REVENUES	8,877,434	10,031,751	13,314,182	18,609,037	22,635,318	38,232,696
Licenses, fees and taxes	1,633,685	2,346,350	2,109,537	1,130,290	2,481,256	2,414,729
Motor vehicles	1,168,267	1,566,070	1,577,572	428,657	1,784,343	1,400,180
Traffic Registration	1,066,578	1,146,897	0	0	0	0
Heavy Vehicle	75,546	230,514	82,956	111,464	301,430	218,790
Public Motor Vehicles	12,443	50,692	76,176	18,572	38,054	39,228
Drivers' Licence/Permit/Renewl		115,063	174,946	163,443	0	87,418
MVIL Remittances			1,227,694	131,667	1,424,074	1,052,084
Road Users Tax	11,150	14,155	12,350	0	0	0
TIN Fines	2,550	8,749	3,450	3,511	20,785	2,660
Liquor	464,663	765,780	526,140	699,473	689,663	713,670
Liquor Licensing	464,663	765,780	526,140	664,263	679,413	713,170
Liquor Fines				35,210	10,250	500

Gambling	0	0	0	0	0	0
Other licenses, fees, and taxes	0	14,500	5,825	2,160	7,250	300,879
Provincial Tender Fees		14,500	5,825	2,160	7,250	300,879
Land	755	0	0	0	0	0
Land Tax	755	0	0	0	0	0
Commercial receipts, user charges, returns on investments etc.	7,013,275	7,685,401	11,154,843	13,684,638	20,128,014	35,309,986
Housing Rental {WNBPG}		28,275	32,314	10,588	24,167	21,742
FOREST MANAGEMENT AREAS	156,645	0	0	0	0	0
Timber Levies		341,430	357,379	181,786	250,647	185,734
Rental - Business Prom Centre	6,610	997	0	50	0	0
Sales of Government Assets	20	84,700	117,150	11,715	155,200	22,510
Kimbe Market			120,000	0	0	0
Trust Investment	6,850,000	7,230,000	6,028,000	3,270,000	0	35,080,000
Trust Dividends			4,500,000	10,210,500	19,698,000	
Other revenues	230,474	0	49,802	3,794,109	26,048	507,981
Miscellaneous	230,474	0	49,802	3,794,109	26,048	507,981
Total PGAS Internal Revenues	19,915,132	30,207,266	47,715,852	25,990,855	32,470,728	50,144,165

Autonomous Bougainville Government

ABG: SUMMARY OF REVENUES (KINA)						
	2010	2011	2012	2013	2014	2015
National Grants	17,293,920	18,677,449	17,652,850	20,644,688	19,148,990	21,332,322
Recurrent Goods and Services Grants	17,293,400	18,676,900	17,652,200	20,644,000	19,148,100	21,330,800
GST distribution from IRC	1,115,497	1,115,500	1,587,390	1,979,578	1,661,187	1,710,965
Bookmakers distribution from IRC	0.0	0.0	0.0	0.0	0.0	0.0
Mining and Petroleum Royalties and Dividends	0.0	0.0	0.0	0.0	0.0	0.0
Own Source Revenues	293.9	5,725.1	3,298.2	3,298.2	6,508.2	9,952.8
Licenses, fees and taxes	3,926,318	4,146,616	8,703,481	9,375,833	10,728,104	13,243,162
Motor vehicles	212,899	226,335	164,199	153,408	221,270	239,050
Liquor	138,419	142,131	93,993	114,512	111,994	88,412
Gambling	0	0	0	0	0	0
Land	0	0	0	0	0	0
Other licenses, fees, and taxes	3,575,000	3,778,150	8,445,289	9,107,913	10,394,840	12,915,700
Commercial Receipts	0	0	0	0	0	0
Other Revenues	10,132,411	100,116	131,916	2,378,712	1,913,849	702,398
TOTAL REVENUES	18,409,711	19,798,674	19,243,539	22,627,564	20,816,685	23,053,240

ABG: PGAS INTERNAL REVENUE SUMMARY FILES (KINA)						
	2010	2011	2012	2013	2014	2015
TOTAL NON OWN-SOURCE REVENUES REMOVED FROM PGAS	743,654	30,239,277	21,478,049	547,789	0	0
Revenue from former years	0	28,333,410	20,227,395	0	0	0
Recoveries from former years		194,310	6,625,385			
Draw Down of Funds	0	28,139,100	13,602,010			
Revenues for development purposes (e.g. SSGs)	0	0	0	0	0	0
GST/VAT distributions from IRC	743,654	1,905,867	1,250,654	547,789	n/a	n/a
Value Added Tax	743,654	1,905,867	1,250,654	547,789	n/a	n/a
Mining and petroleum royalties and dividends	0	0	0	0	0	0
Other, including major asset sales and staffing revenue	0	0	0	0	0	0
TOTAL OWN-SOURCE REVENUES	14,058,729	4,246,732	8,835,396	11,754,545	12,641,953	13,945,560
Licenses, fees and taxes	3,926,318	4,146,616	8,703,481	9,375,833	10,728,104	13,243,162
Motor vehicles	212,899	226,335	164,199	153,408	221,270	239,050
Motor Vehicle Registrations	212,899	226,335	164,199	153,408	221,270	239,050
Liquor	138,419	142,131	93,993	114,512	111,994	88,412
Liquor Licensing Fees	138,419	142,131	93,993	114,512	111,994	88,412
Gambling	0	0	0	0	0	0
Other licenses, fees, and taxes	3,575,000	3,778,150	8,445,289	9,107,913	10,394,840	12,915,700
Liquor Tax		246,150	828,089	117,897	887,000	45,700
Tobacco Tax			617,200	0	7,840	36,000
Bougainville Group Tax	3,575,000	3,532,000	7,000,000	8,990,016	9,500,000	12,834,000
Land	0	0	0	0	0	0
Commercial receipts, user charges, returns on investments etc.	0	0	0	0	0	0
Other revenues	10,132,411	100,116	131,916	2,378,712	1,913,849	702,398
Sundry Revenue	10,132,411	100,116	131,916	2,378,712	1,028,855	564,333
Miscellaneous					884,994	138,065
Total PGAS Own Source Revenues	14,058,729	4,246,732	8,835,396	11,754,545	12,641,953	13,945,560



