National Economic & Fiscal Commission



# The National Economic and Fiscal Commission *Newsletter*

Date: Friday 27th September 2024

## NEFC Vision and Mission

#### Vision

To provide quality independent and objective advice on economic and public policy issues to the Government.

#### Mission

The overarching role of the NEFC is to provide advice to the government on intergovernmental financing.

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IGFAR review 6 to create robust fiscal transfer system



It is with great pleasure that I welcome you to the first issue of the National Economic and Fiscal Commission (NEFC) official Newsletters.

As the Chairman/CEO of this esteemed commission, I am honored to share with you our commitment to transparency, accountability, and informed decision-making.

The National Economic & Fiscal Commission has recently undergone a significant change in management process, aligning itself with the evolving information and communication mediums.

In recognizing the importance of staying informed, we have taken an initiative into producing

## Chairman /CEO's Message

Newsletters which contains all the latest undertakings, business and agendas of the Commission.

This initiative creates a platform that allows the wider public to understand and appreciate the invaluable work that the Commission undertakes.

As an independent advisory body to both the National Executive Council (NEC) and the Parliament, the NEFC plays a crucial role in shaping economic and fiscal policies.

It is important to note that our primary function is to recommend and advise on these policies; we are not decision-makers. The authority to make decisions rest with the relevant government institutions.

Our role is to provide wellinformed

recommendations to aid in the formulation of sound policies that benefit Papua New Guinea. We invite you to explore the rich content on our Newsletter, where you will find comprehensive information on our recent undertakings, recommendation s, and insights into economic and fiscal matters.

By doing so, you actively participate in the democratic process, and be informed about the key issues that shape our nation.

We encourage you to join us in our mission to better inform the NEC and Parliament on crucial economic and fiscal policy matters. Your engagement is vital to the success of our collective efforts.

Thank you for reading our newsletter, and we hope you find the work of the NEFC enriching.

Patrick Kennedy Painap Chairman/CEO

Honorable: Joseph Lelang MP

## **Minister for Rural and Economic Development**



On behalf of the National Economic & Fiscal Commission, I extend our sincere congratulations to Hon. Joseph Lelang on his appointment as Minister for Rural and Economic Development.



The National Economic & Fiscal Commission is

pleased with the announcement made by the Marape/Rosso Government in entrusting Hon. Lelang with this significant role.

His wealth of experience and dedication make him an exemplary choice to lead the newly formed Ministry, under which the Commission now operates directly.

Hon. Lelang's familiarity with our Commission stems from his previous tenure as Secretary for National Planning. His experience as the former Secretary for National Planning, where he worked closely with the Commission, is invaluable.

Minister Lelang's profound understanding of economic and fiscal policies will undoubtedly strengthen our efforts to provide independent and impartial advice to the National Executive Council and Parliament and we eagerly anticipate continuing our collaborative endeavors with him in his new capacity.

We have full confidence that his leadership and commitment will undoubtedly bring positive change to our nation, particularly in empowering our sub-national governments.

Once again, congratulations to Hon. Joseph Lelang on your well-deserved appointment and we eagerly anticipate the positive impact you will certainly make in your new role.

Wishing you every success in your new portfolio.

Patrick Kennedy Painap Chairman/CEO National Economic and Fiscal Commission

## NEFC Corporate Plan 2023-2027 launched

The National Economic and Fiscal Commission on Friday 8th March 2024 had its Corporate Plan 2023-2027 launched at APEC Haus, Ela Beach in Port Moresby.

NEFC Corporate Plan 2023-2027 was launched by the newly sworn in Minister for Rural and Economic Development Hon. Joseph Lelang.

The launching of the NEFC Corporate Plan 2023-2027 by Minister Lelang was his first official duty after being sworn in on Thursday 7th March 2024 as the minister for Rural and Economic Development which the commission falls under.

The occasion was also witnessed by Minister for Public Service Hon. Joe Sungi, Director NRI-Osborne Sanida, Registrar of Political Parties-Emmanuel Pok, Secretary for DIRD-Aihi Vaki and other departmental heads who attended the event.

NEFC Chairman and Chief Executive Officer Patrick Kennedy Painap in his opening remarks congratulate Mr Lelang's appointment as the Minister for Rural and Economic Development and





acknowledged Minister Sungi for gracing the occasion with his presence.

Mr Painap said the occasion marks а significant milestone, in NEFC journey. "The corporate plan that we are about to launch outlines our strategic objectives and initiatives for the next five years. "And I am excited about the opportunities it presents for us to further improve service delivery and the sustainable promote economic development that will benefit the country, especially at the sub-national levels" Painap said.

Mr Painap said one of the key areas outlined in the plan is the review of the current intergovernmental financing arrangement system.

"This review is crucial to ensuring that our financing



mechanism remain relevant and effective in meeting the needs of our nation. "It is an opportunity for us to reassess the current intergovernmental financing system and identify areas for improvement. "I'm confident that it will lead to positive outcomes for all levels of governments, particularly the people of Papua New Guinea.

"The vision we hold for the outcome of the IGFAR project will shape the development of an intergovernmental financing strategy" he iterated.

Mr Painap affirmed this serve as the strategy will blueprint detailing the essence financial of arrangements, fiscal transfers and mechanisms for revenue sharing among various levels of government.



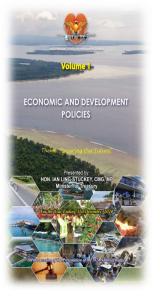
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NEFC Chairman/CEO Patrick Kennedy Painap

"Since 2009, over K7.8 billion kina has been given in function grants with K7 billion additional GST"



## **Increase in Provincial and LLG Grants**

The National Economic and Fiscal Commission has revealed an increase in the 2024 Function Grants allocation to the Provincial and Local Level Governments.

NEFC through its 2024 Budget Fiscal Report determined the Function Grants for the Provincial and Local Level Govern-

ments is at K771.3 million. An increase of K129.3 million from K642.1 million in 2023.

According to the NEFC's 2024 Budget Fiscal Report, Provincial Government Function Grants for 2024 stands at K655.6million, an increase of K84.2million kina from K571.4million in 2023, while Local Level Government Function Grants at K115.7million an increase of K45.1million from K70.6million in 2023.

Major sectors like Health, Education, Transport, and infrastructure have seen an increase in funding respectively.

For 2024. Function Grant Health stands for at K133.3million an increase K16.6million from of K116.7million, Education at K155.1million an increase K20.2million from of K134.9million in 2023 while Transport Infrastructure is K194.6million an inat crease of K24.3 million from K170.3million in 2023 fiscal vear.

The National Economic and Fiscal Commission as mandated by law for every year, must present a report on its operations and the determination of function grants for Provincial and Local Level Government to the Parliament through the Minister for Treasury.

The 2024 Budget Fiscal Report is in accordance with section 69 of the Intergovernmental Relations (functions and funding) Act 2009 and section 117(9) of the Organic Law on Provincial and Local Level Governments and is obliged to be submitted to the Parliament by the Minister for Treasury.

The 2024 Budget Fiscal Report was passed by the Parliament on Tuesday 28<sup>th</sup> November 2023 presented by Minister for Treasury Ian Ling Stucky.

National Economic & Fiscal Commission Chairman and Chief Executive Officer Patrick Kennedy Painap said the primary aim of the annual budget fiscal report is to establish a robust foundation for well-informed public policy.

"It centers on the fundamental objectives of fiscal decentralization, aligning with the government's development goals and the aspirational vision 2050," he said.

Painap said a significant highlight for NEFC this year 2023 has been the Intergovernmental Financing Arrangement Review Regional Consultations undertaken by the NEFC, the Department of Treasury, and eleven other key agencies under the PLLSMA Sub-Committee on IGFAR. He said the progress in 2023 has been promising, with impactful consultative workshops held in the four regions of Papua New Guinea, concluding in the Southern Region in October 2023.

NEFC CEO Painap explained, that the story of the reforms of intergovernmental financing arrangements spans over a decade.

"It is a story of how the intergovernmental financing system was built upon the principle of equalization and the fundamental belief that funding must always follow functions" he added.

Mr. Painap said that since 2009, over K7.8billion has been given in function grants with an additional K7billion in GST adding that these are just two fiscal transfers alone, but if the SIP, PIP, and donor grants to the sub-national governments are considered the total envelope of fiscal transfers has been enormous.

He said the increased funding over the years has provided a vital lifeline for the service delivery mechanism.

"However, with this increased funding, it becomes our collective responsibility to ensure that these resources are not just financial injections but catalysts for service delivery," said Mr. Painap.



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Hon. Joseph Lelang Minister for Rural and Economic Development

**Minister** for Rural and Economic Development Hon. Joseph Lelang has commended the National Economic and Fiscal Commission for its efforts in undertaking the **NEFC's effort on IGFAR commended** 

review on the Intergovernmental Financing Arrangement.

"We have this huge decentralization. The political structure that we have and the devolution of powers, functions, the

ent decentralization of those powers and functions to the provincial and the districts. How is that going to take shape?

"How are we going to move

forward? "When we look at the Intergovernmental Financing Arrangements. "Because mark my word this is the way we are going to go. "And the onus is on all of us. "So, I'm very happy to be appointed as the minister responsible for NEFC. These are exciting times ahead" he said.

"I acknowledged that you will soon complete the review on Intergovernmental Financing Arrangement. "This is the area

I'm also interested in. "I want to look at it and will see whether the current arrangements that we are financing to the provincial governments is the best way to go.

"And if we are improving on that, what is NEFC's position on how we bundle the financing that should go to the provinces. "Don't forget keeping in mind the importance of the decentralization structure we have" Lelang reminded NEFC.

Minister Lelang further stressed that most of these provinces need to be independent, they need to become selfindependent in terms of funding.

"And I'm pretty sure you

have done some work on that. "There are some provinces who entirely dependent on National Government, some have some internal revenue generated, but it is about time we need to start looking at possibility that when you transfer funds subnational to governments be mindful. "We must look at the future of how we

"Why don't we give to each province to run their law and order as long as the police understand and come up with a function structure where provinces can manage some functions while the national government looks after others."

reorganize the government under the decentralized political structure that we adopted in 1997" he said.

Lelang said, in Parliament governors have been raising concerns on Law and order.

"Why don't we give to each province to run their law and order as long as the police understand and come up with a function structure where provinces can manage some functions while the national government looks after others.

"Now if this is agreed to and is moved over, what kind of funding arrangements must go with it? "Why should governors coming to the Parliament raising issues about law and order when they can manage it themselves. "Maybe that's the way to go. And I think this is the future. "And NEFC you have a very important role in this regard" said Lelang.



#### Volume 1, Issue 1



The current Intergovernmental Financing System between the National Government and subnational governments is fragmented, and this has hindered efficient resource allocation in one way or the other to the subnational governments.

## NEFC embarks on IGFAR to create a robust fiscal transfer system for Papua New Guinea

The National Economic and Fiscal Commission Chairman and Chief Executive Officer Patrick Kennedy Painap made this statement in the context that funds; Function Grants, SIP, PIP, Province's Internal Resources and Donor Agencies funds disbursed from Waigani must be seen as complementary-one must complement the other.

Mr Painap said, with the introduction of new policies and the establishment of entities at the subnational level, there currently exists an overlap in the functions and responsibilities for each level of government and institutions at the subnational level resulting in duplication, inconsistencies, and confusion as to "who" should do "what" and be accountable for funding to perform the assigned functions.

Amid all these fragmentation and confusion, NEFC and 12 key line agencies under the Provincial and Local Level Services Monitoring Authority (PLLSMA) is embarking on the current review on Intergov-

ernmental Financing Arrangement to correct these imbalances.

The National Economic and Fiscal Commission is the administrator or the custodian of the Intergovernmental Relations (Functions and Funding) Act and in-terms of the review, the review is basically focus on the bigger decentralization policy but focusing down on the component of fiscal decentralization. The current review on the Intergovernmental Financing Arrangement is part of the fiscal decentralization policy.

NEFC being the custodian of the Intergovernmental Relations (Functions and Funding) Act 2009, has taken the lead role in undertaking the review but needs support from other agencies thus the PLLSMA sub-committee called in the Department of Treasury to co-chair and co-lead the review along with NEFC.

It is also part of the NEFC mandate to provide independent advice on economic and fiscal matters, so it is only fitting that as part of the PLLSMA resolutions to have NEFC to lead the review on IGFA.

There are five Key Focus Areas encompassed in the review on IGFA; Fiscal Decentralization and Revenue Mobilization, Integrated Planning and Budgeting, Public Finance Management Systems, Policy Institutional and Legislative Frameworks, Monitoring Evaluation and Reporting.

"So basically, we are conducting a comprehensive and holistic review and not just focusing on one area, but we are looking at the whole five areas. "The whole five areas govern all systems and processes undertaken within the scope of fiscal decentralization and the output we are anticipating from the review on the Intergovernmental Financing Arrangements is broken into two areas; one on the interim changes and the other is more on the long-term changes and they all basically focused on policy nd legislative changes," Mr. Painap said.

According to NEFC what the review is trying to do is to fix up the fragmentations and have a system that is integrated and intact for the flow of services from the national down to the sub-national governments.

"So, the key output that we want to see from this arrangement is to have a strengthened fiscal transfer system. The one that is within the scope of the intergovernmental relations (functions and funding) act governed by the Organic Law on Provincial and Local Level Government.

"We want to see a system that is not fragmented, but one that is effective for the provinces to use according to the sanctioned provisions in the legislations", he said.

Basically, the roadmap of the IG-FAR was started in 2020 with planning process started in years 2021 and 2022.

The actual consultations started last year 2023 for the sub-national levels while this year 2024 is the second year of consultations for the National Agencies.

So, next year 2025, NEFC is anticipating implementation part of the road map while the years 2026 onwards will be on the monitoring of the new system.

"So, we also anticipating a reform on the current intergovernmental financing arrangements after 2026.



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## Reforms have resulted in a shift between shares of responsibilities



Patrick Kennedy Painap NEFC Chairman/CEO

There has been many institutional reforms since 2009 towards the 12 Strategic Priority Areas of the Medium Term Development Plan IV of the National Government.

 The Strategic Priority
P Areas includes strategic economic invest-

ment, connect PNG infrastructure, quality and affordable health care system, education and skilled human capital, rule of law and restorative justice, national security, national revenue and public finance management, digital government, national statistics and public service governance, research science and technology, climate change and natural environment protection, population youth and women empowerment and strategic partnerships.

National Economic and Fiscal Commission Chairman and Chief Executive Officer Patrick Kennedy Painap said in a recent workshop on Intergovernmental Financing Arrangement Review held in Mt Hagen Western Highlands Province, that some of the institutional reforms have resulted in a shift between shares of responsibilities within different tiers of government or between different sectors.

Mr Painap said some of the institutional reforms the review had looked into were ; District Development Authorities, City Authorities, Province with greater powers (East New Britain, New Ireland and Enga) and Special Purpose Authorities.

"In addition, there are also sectoral reforms that has some impact on the current Functions Assignment Determination (FAD) which have been reviewed are: Provincial Health Authority reform, Transport and Infrastructure sector, rural airstrip agencies and functions airstrips maintenance, the national roads authority and related functions to road maintenance and transport, Department of Works and National Highways and functions related to road maintenance and the National Energy Authority functions related to rural electricity," he said.

He explained further that the review would have to revisit specific sections in existing legislation, including policies, plan and budget as part of the consultation at the National Level, Provincial, District and Local Levels.

"Some of these laws will include; District Development Authority Act 2014, Provincial Health Authority Act, City Authorities Act, National Procurement Act, Public Finance Management Act, Whistle Blowers Act, Rural Airstrip Authority Act, National Road Authority Act and the National Energy Authority Act," Mr Painap said.

## Fiscal Transfers important to ensure balance in all levels of Government

The National Economic and Fiscal Commission Chairman and Chief Executive Officer Patrick Kennedy Painap says the Intergovernmental Fiscal Transfers is paramount importance at all levels of the government and the country. "The fiscal transfer to sub-national governments refers to the funds transferred from the National Government to the provincial and local level governments," he explained.

Mr Painap said fiscal transfers takes various forms where each has its own objectives and conditions.

"Conditional transfers come with specific conditions or requirements that can include mandates to spend the funds on certain sectors, compliance with specific policies or regulations or the achievements of specific performance targets.

"Conditional transfers are often used to promote specific service delivery objectives or incentivized sub-nationals to achieve desired outcomes" said Mr Painap. He said, while unconditional transfers provide to subnational without any specific conditions or restrictions, which aims to provide sub-national governments with a certain level of financial autonomy and enable them to address their own local needs.

Mr Painap stressed that the fiscal transfers were bottled into three categories: the recurrent, development and staffing. "By category, the grants would be specified as recurrent grants were function grants, development grants were DSIP, PSIP, DSG, SSG, PIP and others, while staffing grants were public servants salaries, teachers salaries, public servants leave fares, teachers leave fares and others.

"However, the main aim of the fiscal transfers to subnationals is to promote equity, fiscal stabilization and service delivery or the provision of public goods and services across different levels of government".

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## TWG concludes Important IGFAR Target studies in Papua New Guinea

**The** Technical Working Group on Intergovernmental Financing Arrangement Review has initiated a series of nine specific target studies across eight provinces in Papua New Guinea.

This significant endeavor is part of the "Wok Painim Aut" initiative, building upon the extensive consultations held in 2023 with Sub-nationals and the recently concluded National Agency Consultations in Port Moresby.

The target studies aim to examine various policy matters, ranging from governance to financing, and compliance measures. These studies are critical to understanding and enhancing the operation of both the provincial and local-level governments as well as place-based institutions in the country.

The institutions under review include City Authorities, Provincial Health Authorities, District Development Authorities, and Special Purpose Authorities.

In a bid to gain comprehensive insights, the studies will incorporate interviews with relevant officers from the respective provincial administrations.

Key areas of focus will include the current Goods and Services Tax (GST) Sharing Arrangement, the potential for subnational borrowing, non-tax revenue arrangements, and an in-depth examina-



TWG members posing for a photo after the Target Study with the East Sepik Provincial Administration

tion of the emerging carbon tax sector, particularly pertinent to provincial governments.

The week-long studies have commenced in the Highlands Region, with two teams stationed in the Eastern Highlands and Western Highlands provinces.

These teams have completed the Highlands Region, Momase Region, Southern Region and recently have concluded the study into Special Purpose Authority (SPA) in Lihir New Ireland Province for the New Guinea Islands Region. ering data and insights that will inform policy recommendations and potential reforms aimed at improving governance and financial management at the sub-national level.

The outcome of these studies is expected to provide a robust foundation for policy-making, ensuring that intergovernmental financing arrangements are effectively aligned with the broader decentralization goal of the national government.

These teams are tasked with gath-



TWG team 1 during consultation with Daulo DDA in Eastern Hihglands Province

TWG team 2 photoshoot with Lae City Authority Senior Management team

## Study into LLG financing arrangements and governance challenges

Working The Technical Group on the Intergovernmental Financing Arrangement Review on Wednesday 10th July 2024 met with the seven LLG Managers of the Alotau District, Milne Bay Province to conduct a study into the LLG Financing Arrangements and Governance Challenges in LLG service delivery.

Local Level Governments (LLGs) play a crucial role in TWG team 1 with the LLG Managers of service delivery in Papua New Guinea.

However, limited research has been conducted on the financing arrangements for LLGs in PNG and the governance challenges faced in delivery of services in the communities.

According to the National Economic and Fiscal Commission, this study aims to fill this gap by examining the current financing mechanisms for LLGs in PNG and the Governance Challenges encountered in service delivery.

This study also seeks to understand how LLGs are financed and the impact of these financing arrangements on service delivery.

Alotau DDA after the study

Ultimately, the study is looking at recommendations providing for improving financing mechanism and governance practices to enhance the delivery of essential services at the local level in PNG.

According to NEFC, given the overall objective of the Intergovernmental Financing Arrangement Review is to holistically review the current Intergovernmental financing system in PNG, a review of the LLG Financing Arrangements and the governance challenges in LLG service delivery must be undertaken to propose recommendations for addressing concerns and issues relating to LLG financing arrangements.

The purpose of the study is to provide evidence-based recommendations for improving the financing arrangements for LLGs and addressing governance challenges to enhance service delivery outcomes.

The scope of the study is to provide a comprehensive analysis of funding mechanisms for LLGs, including the

allocation of funds from the national government, revenue generation at the LLG, and the role of development partners in supporting LLG operations.

The study will also examine the governance challenges that affects the LLG service delivery, including issues of monitoring and reporting mechanisms, and capacity building. It will explore how decisions are made within LLGs and the mechanisms in place to ensure that funds are used efficiently and effectively.

Meanwhile the same study has been undertaken in other provinces. of Eastern Highlands. Western Highlands, Morobe, East Sepik, New Ireland and East New Britain.

## ESP confident, IGFAR will address funding alignment issues

Administrator Samson Torovi says he is confident that the current review on the Intergovernmental Financing Arrangement between the National Government and the subnational governments will help the Provincial Administrations better comply and look at other issues necessary for proper funding alignments.

Mr. Torovi made this

East Sepik Provincial statement when welcoming the Technical Working Group on the Intergovernmental Financing Review into Wewak for the target studies.

> When extending his warm welcoming to the TWG team, Torovi says the National Economic and Fiscal Commission is very important to them in terms of the recommendations and resolutions surrounding the Intergovernmental Financ-

ing Arrangement between the National Government and the province.

"Your coming here is very important to us, and we take it very seriously"

"I have given instructions to my officers to give you all the assistance you need for that the studies you are undertaking here in the province so that proper assessments can be made into our internal budget and also other issues with funding arrangements can be addressed," he said.



Samson Torovi (ESP PA)



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## NEFC plans ahead of PNG Cost of Services Study

Pre-field preparation is underway by the National Economic and Fiscal Commission to revise and update the Costing Study in Papua New Guinea by next year 2025.

PNG Cost Of Services Study is an important exercise undertaken by the National Economic and Fiscal Commission on every 5 year interval, spearheaded by the NEFC's Cost and Finance Unit.

According to NEFC, the first Cost of Services Study was done in 2005, while the second one was in 2010,



third one was in 2015 and fourth one was in 2020 and now the

fifth one is earmarked to be by

### 2025.

In leading up to the main field trips and the study to be undertaken in all the provinces in the country, a three-day training and planning workshop was held this week into brainstorming ideas and planning strategies on how to undertake the 2025 Cost of Service Study.

The workshop commenced with brainstorming session held last Friday 28th June followed by two training sessions held on Monday 1st July and Tuesday 2nd July respectively at the Gateway Hotel in Port Moresby.

NEFC Chairman and Chief Executive Officer Patrick Kennedy Painap said the Monday's session was a specialized session where four officers formed the Cost of Services modelling unit and were trained on how to run the Costing Model.

"Its like refresher training especially to get them first understand the purpose of conducting cost of services study and then going deeper into the model. "Training key staff about the model and how it works, and how to change it trying to ensure that NEFC staff have the skills to run the model.

"So this study we undertaking is happening at the same time when review on the Intergovernmental Financing Arrangement is happening. "So, the changes that are being recommended by the IGFAR must be incorporated into the Cost of Services Study", said Mr Painap.

He added that one of the differences for 2025 Cost of Services Study compared to 2005 up to 2020 is that because PNG is now going through, the Intergovernmental Financing Arrangement Review, there are changes to the system.

"And because of those changes to the system, they will need to be reflected in the new cost of services. "We need to add those new sectors. "And so that's what we are talking about, and we are trying to make sure IGFA fits into it," Painap iterated.

Painap explained that the reason why NEFC do Costing of

services after five years is because the prices and systems keep changing.

"So, like in 2004, DDAs, PHAs and City Authorities, Health Posts and District Hospitals didn't exist. "So, through those years until now many things have changed. "Like you buy a car today, the price isn't the same as back in 2004. "We need things to be updated", he said.

"The Cost of Services Study is a unique exercise only performed by the National Economic and Fiscal Commission. "It is unique in sense that no other country in the world performs this cost of study exercise," said Mr Painap.



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## NEFC participated in TIPNG walk against corruption 2024



National Economic and Fiscal Commission was among the other National Government Agencies to

participate in the Sir Anthony Siaguru Walk Against Corruption 2024 hosted by the Transparency International.

With the theme for this year, "Rise to Acceptable Standards" the main purpose of the walk is to raise awareness and walk in unity to fight corruption in all walks of life. As an independent advisory institute to National Government on fiscal matters, NEFC is happy to participate in this very significant occasion.

The walk started at Sir John Guise Stadium, along the Vision City Road, to Wardstrip Road and back to the stadium. According to TIPNG over 2,000 people participated in this event.



## NEFC commemorates Mothers Day

The National Economic and Fiscal Commission took time off from its busy schedule on Friday 3rd May 2024 to celebrate Mother's Day at the office.

NEFC celebrated the day with a small "kaikai" hosted by the agency for its female officers.

Speaking at this small but significant occasion, NEFC Chairman and Chief Executive Officer Patrick Kennedy



Painap said it's an important and international event that is celebrated worldwide thus, it is significant that we must celebrate in our office as well.

"I'm sure other offices or agencies are also celebrating the day for

their staff who are mothers. "There is a significant importance for us to celebrate the event because the mothers, they work 24hours. "When the husbands are sleeping

the mothers are working. "They have only one- or two-hours rest. "And that we must appreciate our mothers," said Mr Painap.

"Ladies do almost 100% of the work while men only do 10%. "So, men its our responsibility to celebrate this occasion, remember our wives, mothers, and also the important responsibilities they perform," he added.

"We have to celebrate this event to remember the hard work that they are putting to our lives.

# **NEFC** participates in the Seminar for the CDPR in Port Policy and Administration



The National Economic Economic and Fiscal Commission participated at the second Seminar for the Capacity Development Project in Port Policy and Administration Phase II.

The seminar was casing held on the 22nd of can b May 2024 at Gateway Hotel in Port policy Moresby. within

This year's theme is "Port Data & Information for Port Policy and Administration"

The seminar was aimed at showcasing how data can be effectively utilized to inform policy making within the Port

e Industry.

The Department of Transport Project Team presented insightful strategies and case studies on leveraging data for informed decision making in Port Policy and Administration.

According the to Department of NEFC's Transport, participation in this seminar has greatly contribute to the success of the seminar by sharing it's expertise and insights with fellow industry professionals.

## The National Economic and Fiscal Commission Newsletter



"Mr. Ainui is the **Project Manager for** the sanctioned Government Review on the current Intergovernmental Financing Arrangements being undertaken by 13 key line agencies under the **Provincial Local** Level Services Monitorina Authority Subcommittee (PLLSMA) chaired by NEFC, and cochaired by the **Department of** Treasury"



Mr Ainui now manages the IGFAR project current being undertaken by NEFC and 12 key line agencies

**The** National Economic and Fiscal Commission has congratulated one of its senior officers who recently graduated with a Masters in Economic and Public Policy from the School of Business and Public Policy at the University of Papua New Guinea.

Nigel Ainui, an already decorated Economist was amongst the batch of master's graduates who graduated from the School of Business and Public Policy at the 69th graduation ceremony of the University of Papua New Guinea.

Mr. Ainui joined NEFC in 2015 as a junior officer after graduating with a Bachelor's Degree in Applied Economics from the PNG University of Technology now becoming а Principal Policy Analyst with the Organization. Mr. Ainui is also the Project Manager the sanctioned for Government Review on the current Intergovernmental

Financing Arrangements being undertaken by 13 key line agencies under the Provincial Local Level

Services Monitoring Authority Sub-committee (PLLSMA) chaired by NEFC, and co-chaired by the Department of Treasury.

## **NEFC congratulates Mr Ainui**

NEFC Chairman and Chief Executive Officer Patrick Kennedy Painap said he is proud to have staff Nigel his Ainui graduate with a Masters in Economic and Public Policy. "For me and the Commission, we are happy to celebrate his "The achievement. program is part of my capacity building for the organization, supported by DFAT," Mr Painap said.

Mr Painap further stated that Mr Ainui's sponsorship was made possible by DFAT. "When I negotiated with them, they agreed and paid Nigel's tuition fees.

NEFC supported Nigel in completing the study by making sure he attended his studies after hours and met other costs like transport and fuel to make sure he attended classes during the two years of study.

"All the efforts resulted in the successful completion of his master's program. "When I took office in 2021 as the Chairman and CEO of NEFC, I noticed few areas that I wanted the agency to embark "We on. developed our corporate plan and we came up with a structure to strengthen NEFC in terms of Research and Development," Mr Painap said.

"I decided that my staff especially the senior officers must undergo master's in economics

public and policy. "Currently Nigel is the second officer to graduate under this capacity building program." Also, under this program, we have three more officers that will graduate next year. "I want to build the Senior Officers so that they take on the responsibility to assist me in managing the affairs of the Commission. "And now I'm proud to see Mr Ainui successfully attained the qualification to assist me in performing mv responsibilities in managing the organization.

Nigel currently performs a Principal Policy Analyst role with the NEFC, a team leader role that is currently managing our Sub-national Budgets and Expenditure Unit. "When I took office, the government tasked NEFC to undertake a review on the Intergovernmental Financing Arrangement and Nigel was assisting as the assistant project manager until early this year I appointed him as the project manager managing the affairs of this project (IGFAR)".

When given the opportunity Mr Ainui surprised Mr Painap with his performances.

"Nigel, I have to tell you, you have surpassed my your expectations with performance". "Mr Ainui's skills, leadership his management skills, have stood out. "Mr Ainui has demonstrated the qualities I have been looking for in officers" Painap iterated.

"Nigel has done so well in

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the past years, and I'm happy that his achievement will now help bolster the operations of the Commission going forward," said Mr Painap. Meantime Mr Ainui expressed gratitude to NEFC for the opportunity given to him to pursue his dreams of undertaking the master's program.

"I wish to acknowledge the agency that made it possible for me and the agency that I have served for the last decade, the National Economic & Mr. Ainui chairing the IGFAR National Fiscal Commission, and our Chairman and CEO, Patrick Kennedy Painap, for his support and his continuous emphasis on staff development and need for young Papua New Guineans to be equally important qualified to lead government institutions.

I wish to also acknowledge the support of DFAT who were kind enough to sponsor me."

"My good CEO, Mr Painap your leadership has inspired me to excel and strive for excellence in my field" Mr Ainui responded.

"As I reflect on this academic journey that has led me to this moment, I acknowledge the profound impact that the study of Economics and Public Policy will have on shaping how government interacts with its constituents. "Armed with the skills and knowledge acquired during my



**Agency consultation** 

time in school, I am poised to make meaningful contributions to society through the constitutional agency that I serve"

In addressing the Commission, Mr. Ainui stated, "Today, we not only celebrate my academic achievement but also the limitless potential that lies within each of us to make a difference in this country, and for that, I encourage each one of us to keep pursuing our dreams knowing that knowledge is truly limitless.

Earning a master's degree is a tremendous accomplishment and Mr Ainui attributed his achievement to the endless support from his family. "My academic journey over the past two years has been both challenging and rewarding, especially with the birth of my two children, Aqila and Zion, during

this time. "To my parents, Mum and Dad, your support and prayers have also been my source of strength. "Despite the challenges you faced back home, you stood by me and encouraged me to pursue my dreams. "I am truly blessed to have you both here today to witness this important milestone." he said.

> "To my in-laws, Mr. and Mrs. Waiwai, I am deeply grateful for the support and care you

have shown to me and my family. "To my partner, Rakanao Ilei Mavis Waiwai, and my children, Gemma-Liu A'amiya Aqila Ainui and Wesley Zion Darby Ainui, your love and support have been my rock throughout this journey. "Your sacrifices and understanding have made it possible for me to pursue my education, and for that, I am forever grateful".

"I am filled with a sense of pride and accomplishment as I look back on my academic journey. I am grateful for the opportunities and experiences that have shaped me into the person that I am today".



Mr Ainui presenting the report on IGFAR to the Minister for Rural and Economic Development Hon. Joseph Lelang

### "Strengthening Service Delivery to Papua New Guineans No Matter where they Live"



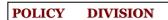
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**Ethna Dopo** Policy Analyst (Grants & Revenue)



#### **NEFC Role**

The Commission is responsible for assessing and monitoring the economic and fiscal policies of the National Government, Provincial Government and Local Level Governments; advise and recommend to the National Executive Council, appropriate economic policies make recommendations to the National Executive Council and to the National Parliament on the financial arrangements and allocation of grants. It is also involved in the assessment of Provincial Government Reforms which focuses on reviewing the implementation of the Organic Law on Provincial government reforms and recommend areas for improvement and monitoring of Public Accounting Practices.



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Rohan Ranu IT Officer



June Dibela

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"Strengthening Service Delivery to Papua New Guineans No Matter where they Live"

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