



Hon. Ian Ling-Stuckey CMG, MP
Minister for Treasury



DEPARTMENT OF TREASURY



NATIONAL ECONOMIC AND FISCAL COMMISSION



Patrick Kennedy Painap
Chairman/CEO - NEFC

NATIONAL GOVERNMENT RECURRENT GOODS & SERVICES FUNDING RELEASED TO PROVINCES AND LOCAL LEVEL GOVERNMENT

UPDATE OF 2022 WARRANT RELEASED JAN - JULY 31st

In complying with the requirement of the Open Government Partnership (OGP) and Public Expenditure & Financial Accountability (PEFA) on Fiscal Transparency & Accountability; the publication of this Warrant Release is intended to inform the Provinces and LLGs on how much of their appropriations have been released to-date to carry out service delivery responsibilities.

PROVINCIAL GOVERNMENT	TOTAL GOODS AND SERVICES GRANTS (KINA)			ADMINISTRATION GRANT (KINA)			HEALTH FUNCTION GRANT (KINA)			EDUCATION FUNCTION GRANT (KINA)			OTHER SERVICE DELIVERY GRANT (KINA)		
	2022 Appropriation	Funds released		2022 Appropriation	Funds released		2022 Appropriation	Funds released		2022 Appropriation	Funds released		2022 Appropriation	Funds released	
		Year to date	% RELEASED		Year to date	% RELEASED		Year to date	% RELEASED		Year to date	% RELEASED		Year to date	% RELEASED
		(Jan to July)			(Jan to July)			(Jan to July)			(Jan to July)			(Jan to July)	
Western	20,093,100	7,116,299	35%	339,200	138,620	41%	4,483,700	2,152,350	48%	3,584,800	1,465,200	41%	736,100	300,860	41%
Gulf	24,304,000	12,390,481	51%	2,235,400	1,133,960	51%	2,235,400	3,052,070	57%	4,439,000	1,814,380	41%	1,622,000	1,133,960	70%
Central	37,025,700	16,096,408	43%	2,272,400	1,337,748	59%	5,992,700	2,971,222	50%	7,446,000	3,043,360	41%	2,894,000	1,182,810	41%
Milne Bay	31,695,800	16,543,601	52%	204,000	103,490	51%	6,670,100	3,909,981	59%	7,049,100	3,577,820	51%	3,306,400	1,677,260	51%
Oro	21,141,700	9,568,510	45%	1,196,200	542,020	45%	4,673,300	2,428,190	52%	4,125,200	1,869,240	45%	2,008,400	910,100	45%
Southern Highlands	29,988,800	17,396,235	58%	1,638,100	3,298,190	201%	7,915,400	3,238,680	40%	7,915,400	3,985,222	50%	2,565,100	1,048,410	41%
Enga	37,582,000	16,903,942	45%	2,400,300	981,060	41%	5,374,800	3,739,852	70%	8,799,300	3,596,470	41%	1,937,600	791,940	41%
Western Highlands	12,708,000	5,220,744	41%	758,200	260,660	34%	2,792,800	1,811,424	65%	1,896,900	652,060	34%	499,700	171,810	34%
Simbu	40,892,000	19,739,688	48%	3,952,100	1,915,330	48%	6,782,800	3,856,768	57%	10,755,600	5,146,060	48%	3,169,000	1,445,240	46%
Eastern Highlands	49,240,880	22,564,473	46%	2,963,600	1,342,840	45%	7,315,800	3,739,333	51%	11,091,800	5,001,510	45%	3,679,200	1,667,140	45%
Morobe	7,146,000	2,497,860	35%	7,146,000	2,497,860	35%	7,146,000	2,497,860	35%	7,146,000	2,497,860	35%	7,146,000	2,497,860	35%
Madang	45,670,200	18,790,380	41%	3,466,300	1,416,780	41%	8,884,400	3,659,330	41%	8,884,400	3,659,330	41%	3,687,000	1,469,370	40%
East Sepik	56,607,400	20,371,660	36%	3,504,300	1,204,640	34%	9,715,600	4,253,180	44%	11,929,800	4,100,860	34%	2,908,900	999,940	34%
Sandaun	43,386,800	22,019,830	51%	3,881,200	1,968,820	51%	9,813,100	5,671,480	58%	9,386,900	4,761,720	51%	2,431,000	1,233,180	51%
Manus	18,809,300	8,501,440	45%	2,331,100	952,770	41%	2,267,000	1,735,000	77%	3,509,000	1,434,210	41%	1,820,000	743,900	41%
New Ireland	1,564,100	571,481	37%	1,564,100	571,481	37%	1,564,100	571,481	37%	1,564,100	571,481	37%	1,564,100	571,481	37%
East New Britain	20,934,600	7,788,120	37%	619,800	213,080	34%	4,178,700	2,026,410	48%	3,920,300	1,347,660	34%	950,500	326,740	34%
West New Britain	36,059,900	13,769,911	38%	2,267,700	779,560	34%	5,972,500	3,425,891	57%	9,111,100	3,131,960	34%	2,673,000	918,820	34%
Hela	24,262,300	9,974,084	41%	2,353,700	809,080	34%	6,452,100	3,850,844	60%	4,381,500	1,506,140	34%	1,765,200	606,740	34%
Jiwaka	30,567,400	13,060,982	43%	2,269,700	780,210	34%	3,280,000	3,679,962	112%	780,530	2,683,100	34%	2,213,700	760,940	34%
Bougainville*															
NCD*															
TOTAL															

PROVINCIAL GOVERNMENT	TRANSPORT INFRASTRUCTURE			PRIMARY PRODUCTION GRANT (KINA)			VILLAGE COURTS FUNCTION GRANT			LAND MEDIATION FUNCTION GRANT			RURAL LLG GRANTS AND URBAN LLG		
	2022 Appropriation	Funds released		2022 Appropriation	Funds released		2022 Appropriation	Funds released		2022 Appropriation	Funds released		2022 Appropriation	Funds released	
		Year to date	% RELEASED		Year to date	% RELEASED		Year to date	% RELEASED		Year to date	% RELEASED		Year to date	% RELEASED
		(Jan to July)			(Jan to July)			(Jan to July)			(Jan to July)			(Jan to July)	
Western	5,590,800	2,285,150	41%	1,536,000	627,800	41%	132,400	54,110	41%	77,000	31,490	41%	3,613,100	60,710	2%
Gulf	6,334,000	3,213,070	51%	2,268,800	1,150,870	51%	481,000	243,990	51%	68,600	34,770	51%	1,500,800	613,411	41%
Central	12,524,700	5,163,717	42%	3,096,700	1,265,750	41%	727,400	246,810	34%	300,000	93,250	31%	2,041,800	845,741	41%
Milne Bay	6,852,500	3,476,110	51%	2,637,800	1,338,100	51%	391,000	198,370	51%	70,700	35,910	51%	2,678,000	1,095,100	41%
Oro	4,198,900	1,902,650	45%	2,094,700	949,130	45%	338,900	153,600	45%	70,400	31,900	45%	2,435,700	781,680	32%
Southern Highlands	6,598,500	3,446,953	52%	1,961,100	801,580	41%	579,100	236,680	41%	99,200	40,580	41%	3,189,500	1,299,940	41%
Enga	10,908,600	4,458,640	41%	4,058,500	1,658,820	41%	997,800	407,830	41%	198,400	81,840	41%	2,906,700	1,188,290	41%
Western Highlands	2,641,000	907,820	34%	911,000	313,160	34%	336,300	115,650	34%	41,700	14,330	34%	2,830,400	1,749,660	34%
Simbu	11,469,700	5,437,970	47%	1,964,700	803,050	41%	766,600	313,290	41%	111,700	45,660	41%	1,919,800	776,320	40%
Eastern Highlands	17,742,700	8,039,630	45%	2,708,500	1,227,320	45%	646,100	292,780	45%	98,700	44,740	45%	2,994,480	1,209,180	41%
Morobe															
Madang	12,372,700	5,057,080	41%	3,615,200	1,440,750	40%	535,700	218,940	41%	27,500	11,250	41%	7,146,000	2,497,860	35%
East Sepik	19,504,200	6,704,550	34%	3,411,900	1,172,860	34%	676,800	232,660	34%	71,700	24,600	34%	4,884,200	1,678,370	34%
Sandaun	8,710,900	4,418,830	51%	3,770,500	1,912,620	51%	521,700	264,650	51%	76,700	38,870	51%	4,794,800	1,749,660	36%
Manus	5,753,100	2,351,410	41%	1,810,900	740,210	41%	506,900	207,210	41%	84,200	34,420	41%	727,100	302,310	42%
New Ireland															
East New Britain	3,915,600	1,346,040	34%	3,350,400	1,260,360	34%	350,000	120,360	34%	71,600	24,560	34%	3,577,700	1,231,570	34%
West New Britain	9,432,100	3,242,280	34%	3,543,000	1,217,920	34%	618,100	212,500	34%	188,500	64,820	34%	2,253,900	776,160	34%
Hela	4,528,300	1,556,570	34%	1,839,600	632,410	34%	384,000	132,600	34%	68,700	23,620	34%	2,489,200	856,680	34%
Jiwaka	11,849,500	4,073,280	34%	130,700	449,300	34%	401,900	138,120	34%	83,600	28,700	34%	13,567,000	467,370	34%
Bougainville*															
NCD*															
TOTAL															

PURPOSE OF GRANTS

Function and Administration Grants are provided to Provincial Governments to ensure that adequate funding is directed towards the service delivery priorities specified under the Medium Term Development Plan. Funding from these grants should only be used to pay for operational and recurrent costs (ie goods & services). These Grants must not be spent on any activities related to Salaries or Capital Investment Programs.

Since the 2009 Budget, the Department of Treasury has issued a Secretary's Instruction (Budget & Expenditure Instruction) regarding the use of function grants. Provinces are now required to specifically fund a set of Minimum Priority Activities (MPAs) in each area of functional responsibility. The MPAs are a minimum set of activities that must be funded out of each of the function grants. The MPAs are not the only activities that can be funded, and in general, Provinces would be expected to fund a broader range of activities out of each of their service delivery function grants. However, they are a core set of activities that most Provinces would already be expected to have in place. The relevant sectoral MPAs are included with each Sector Grant description below.

The Health Function Grant should be used for rural health operations. MPAs for this sector are;

1. Operation of rural health facilities
2. Health outreach patrols and clinics
3. Drug distribution

The Education Function Grant should be primarily used to fund operational costs for primary education, rather than secondary education. MPAs are as follows:

1. Provision of school materials
2. Supervision of schools by district and provincial officers
3. Operation of district education offices

The Transport Infrastructure Maintenance Function Grant should be used to meet maintenance costs of provincial roads & bridges, jetties & wharves and airstrips. This grant should not be used for the construction of new roads or maintenance of buildings or for major reconstruction or rehabilitation of unusable existing roads. MPAs are as follows;

1. Road and bridges maintenance
2. Airstrip maintenance
3. Wharves and jetties maintenance - for maritime provinces

The Primary Production Function Grant should be used to fund extension activities in Agriculture & Livestock, Forestry, Fisheries. Extension activities include; farmer training, distribution of seeds and other technologies to farmers.

The Village Court Function Grant is to be used to fund the operational and supervision costs incurred in the village court sector. The grant should not be used to fund the costs of salaries or allowances for village court officials. The MPA for this sector is;

- 1.Provision of Operational materials

The Land Mediation Function Grant is to be used to fund the operational and supervision cost incurred in Land mediation under Village Court Sector.

The Administration Grant should be used to cover the costs of Provincial Government administrative overheads such as the Office of Administrator, Internal Audit, Human Resources, Policy, Planning & Research, Finance & Administration, Legal Services, LLG Administration and Assembly Services.

The Other Service Delivery Function Grant is intended to fund other costs, not covered by the Function Grants such as community development, natural resource management, business development and land Administration.

Note: (*) These recurrent Goods & Services grants are determined as per the provisions stated in the OLPLLG 1995 which excludes Bougainville and NCD. However, they receive their grants from National Government under separate arrangements.

Also, Morobe and New Ireland under the Inter - governmental financing Act 2009 provides for resource rich provinces (high fiscal capacity) to be exempted from receiving Provincial function grants however, still liable to receive LLG grants.

The release of this information is a joint initiative of Department of Treasury and National Economic and Fiscal Commission.

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DEPARTMENT OF TREASURY

NATIONAL GOVERNMENT RECURRENT GOODS AND SERVICES FUNDING RELEASED TO LOCAL-LEVEL GOVERNMENTS

UPDATE OF 2022 WARRANT RELEASE, Jan - July 31st

PROVINCE AND LOCAL-LEVEL GOVERNMENTS	RURAL AND URBAN LLG GRANTS (KINA)		
	2022 Appropriation	Funds released	
		Year to date	% RELEASED
		(Jan to July)	
Western	3,613,100.00	1,476,742.00	41%
Kiwaia LLG	148,500.00	60,719.00	41%
Morobe LLG	219,800.00	89,819.00	41%
Orionu Bitrua LLG	143,600.00	58,690.00	41%
Bamu LLG	288,600.00	117,949.00	41%
Gogodala LLG	477,400.00	195,141.00	41%
Lake Murray LLG	309,600.00	126,535.00	41%
Noromad LLG	302,500.00	123,636.00	41%
Kungwa LLG	179,000.00	73,155.00	41%
Nigerum LLG	200,800.00	82,062.00	41%
Olisobip LLG	58,800.00	24,017.00	41%
Star Mountain LLG	185,200.00	75,700.00	41%
Klunga Urban Authority	273,500.00	111,796.00	41%
Danu Urban Authority	377,200.00	167,280.00	44%
Balimo Urban Authority	199,500.00	44,747.00	41%
Fly Gogodala Rural LLG	232,200.00	81,783.00	35%
Ere Coast Kiwai Rural LLG	106,900.00	43,713.00	41%

Gulf	1,500,800.00	613,411.00	41%
Central Kerema LLG	126,100.00	51,519.00	41%
East Kerema LLG	99,700.00	40,737.00	41%
Kaititba LLG	98,300.00	40,194.00	41%
Kotidanga LLG	344,500.00	140,806.00	41%
Lakekamu Tauri LLG	100,700.00	41,147.00	41%
Balmuru LLG	138,400.00	56,568.00	41%