



DEPARTMENT OF TREASURY



NATIONAL ECONOMIC AND FISCAL COMMISSION

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

UPDATE OF 2012WARRANT REALEASE, JAN - APR

The following information provides an update on the funding provided from the 2012 Budget by the National Government up until April 2012 to assist Local-level Governments in meeting the costs of delivering operational goods and services. *No funds will be released until such time LLG budgets are submitted and approved by Treasury.*

Once LLG grants are received by Provincial Governments, they are expected to pass on the funds to the individual Local Level Governments.

LLG Grants are to be used by Local-level Governments for funding the service delivery functions for which LLGs are responsible. These responsibilities are outlined in the recent Function Assignment Determination (2010). The grants can only be spent on goods and services, and are not allowed to be spent on salaries, fees and allowances. *LLG allowances should be budgeted for separately by Provinces and paid for from their internal revenue.*

PROVINCE AND LOCAL-LEVEL GOVERNMENTS	RURAL AND URBAN LLG GRANTS (KINA)		
	2012 Appropriation	Funds released	
		Year to date (Jan to Apr)	% RELEASED
Western	2,301,000	1,273,800	55%
Bamu LLG	122,500	61,250	50%
Gogodola LLG	362,600	181,300	50%
Lake Murray LLG	146,800	73,400	50%
Kiunga LLG	147,800	73,900	50%
Kiunga Urban LLG	218,300	109,150	50%
Ningerum LLG	148,000	74,000	50%
Nomad LLG	158,400	79,200	50%
Olsobip LLG	41,700	20,850	50%
Star Mountain LLG	134,400	67,200	50%
Daru Urban LLG	340,500	293,550	86%
Kiwai LLG	159,000	79,500	50%
Morehead LLG	136,000	68,000	50%
Oriomo-Bituri LLG	102,300	51,150	50%
Balimo Urban LLG	82,700	41,350	50%

Gulf	1,137,500	568,750	50%
Central Kerema LLG	117,600	58,800	50%
East Kerema LLG	104,900	52,450	50%
Kaintiba LLG	83,800	41,900	50%
Kerema Urban LLG	134,900	67,450	50%
Kotidanga LLG	152,100	76,050	50%
Lakekamu Taure LLG	93,300	46,650	50%
Baimuru LLG	114,000	57,000	50%
East Kikori LLG	95,700	47,850	50%
Ihu LLG	158,700	79,350	50%
West Kikori LLG	82,500	41,250	50%

Central	1,601,400	800,800	50%
Amazon Bay LLG	63,200	31,600	50%
Aroma LLG	161,100	80,600	50%
Cloudy Bay LLG	74,800	37,400	50%
Guari LLG	49,600	24,800	50%
Tapini LLG	66,800	33,400	50%
Woitape LLG	133,400	66,700	50%
Hiri LLG	235,900	117,900	50%
Kairuku LLG	163,800	81,900	50%
Koigiri LLG	85,900	42,900	50%
Mekeo LLG	169,700	84,900	50%
Rigo Central LLG	113,200	56,600	50%
Rigo Coast LLG	157,700	78,900	50%
Rigo Inland LLG	126,300	63,200	50%

Milne Bay	2,088,200	487,900	23%
Alotau Urban LLG	260,300	50,000	19%
Daga LLG	60,900	20,500	34%
Huhu LLG	221,400	20,000	9%
Makamaka LLG	75,000	10,000	13%
Maramatana LLG	68,000	15,000	22%
Suau LLG	86,200	10,000	12%
Weraura LLG	111,600	20,000	18%
Dobu LLG	155,700	50,000	32%
Duau LLG	116,600	70,000	60%
West Fergusson LLG	96,900	40,000	41%
Goodenough LLG	164,500	40,000	24%
Kiriwina LLG	223,500	50,000	22%
Bwanabwana LLG	92,400	10,000	11%
Loisiade LLG	193,000	32,400	17%
Murua LLG	69,800	20,000	29%
Yeleyamba LLG	92,400	30,000	32%

Oro	1,597,600	798,800	50%
Afore LLG	118,900	59,450	50%
Tufi LLG	125,900	62,950	50%
Oro Bay LLG	207,800	103,900	50%
Popondetta Urban LLG	522,800	261,400	50%
Higaturu LLG	310,200	155,100	50%
Kira LLG	21,300	10,650	50%
Kokoda LLG	138,600	69,300	50%
Tamata LLG	103,500	51,750	50%
Safia LLG	48,600	24,300	50%

East Sepik	3,400,000	0	0%
Ambunti LLG	148,800	0	0%
Dreikirir LLG	174,300	0	0%
Gawanga LLG	104,200	0	0%
Tunap Husein Rang LLG	83,400	0	0%
Angoram/Mi/Sepik LLG	213,800	0	0%
Karawari LLG	112,500	0	0%
Keram LLG	181,300	0	0%
Marienberg/Sepik LLG	161,100	0	0%
Yuat LLG	110,300	0	0%
Atbiges LLG	79,500	0	0%
Bumbita Muhiang LLG	112,000	0	0%
Maprik Wora LLG	123,600	0	0%
Yamitamaui LLG	100,000	0	0%
But Boiken LLG	134,800	0	0%
Turubu LLG	70,400	0	0%
Wewai Island LLG	74,400	0	0%
Wewak Rural LLG	94,900	0	0%
Wewak Urban LLG	533,200	0	0%
Burui Kumai LLG	81,200	0	0%
Gawi LLG	60,600	0	0%
North Wosera LLG	107,400	0	0%
South Wosera LLG	150,500	0	0%
East Yangoru LLG	121,100	0	0%
Numbo LLG	93,300	0	0%
Sausso LLG	71,400	0	0%
West Yangoru LLG	102,000	0	0%

East New Britain	2,460,200	1,230,100	50%
Livuan Reimbar LLG	170,600	85,300	50%
Central Gazelle LLG	166,400	83,200	50%
Vunadirdir Toma LLG	158,600	79,300	50%
Lassul Baining LLG	64,500	32,250	50%
Inland Baining LLG	146,700	73,350	50%
Komblu LLG	62,200	31,100	50%
Balanataman LLG	99,500	49,750	50%
Rabaul LLG	196,700	98,350	50%
Watom LLG	17,300	8,650	50%
Raluana LLG	101,300	50,650	50%
Bitapaka LLG	112,000	56,000	50%
Duke of York LLG	78,100	39,050	50%
Kokopo Yunamami LLG	430,800	215,400	50%
West Pomio Mamusi LLG	134,900	67,450	50%
Melkoi LLG	99,200	49,600	50%
Central Inland Pomio LLG	197,300	98,650	50%
East Pomio LLG	72,000	36,000	50%
Sinivi LLG	152,100	76,050	50%

PROVINCE AND LOCAL-LEVEL GOVERNMENTS	RURAL AND URBAN LLG GRANTS (KINA)		
	2012 Appropriation	Funds released	
		Year to date (Jan to Mar)	% RELEASED
Southern Highlands	4,820,700	2,410,350	50%
Lai Valley LLG	224,200	112,100	50%
Karints LLG	141,000	70,500	50%
Upper Mendi LLG	189,100	94,550	50%
Mendi Urban LLG	450,800	225,400	50%
Lake Kutubu LLG	83,300	41,650	50%
Poroma LLG	168,300	84,150	50%
Nipa LLG	326,400	163,200	50%
Mt Bosavi LLG	50,900	25,450	50%
Nembi Plateau LLG	125,100	62,550	50%
Lower Mendi LLG	135,400	67,700	50%
Imbonggu LLG	182,900	91,450	50%
Ialibu Basin LLG	110,100	55,050	50%
Kewabi LLG	103,900	51,950	50%
East Pangia LLG	106,500	53,250	50%
South Wiru LLG	142,400	71,200	50%
Ialibu Urban LLG	144,300	72,150	50%
Kagua LLG	176,000	88,000	50%
Erave LLG	108,100	54,050	50%
Kuare LLG	69,500	34,750	50%
Aiya LLG	155,200	77,600	50%
Upper Wage LLG	137,200	68,600	50%
Hulia LLG	123,400	61,700	50%
Komo LLG	128,100	64,050	50%
Lower Wage LLG	133,900	66,950	50%
Tebi LLG	97,200	48,600	50%
Hayapuga LLG	126,800	63,400	50%
Tagali LLG	95,500	47,750	50%
Tari Urban LLG	232,300	116,150	50%
North Koroba LLG	130,700	65,350	50%
South Koroba LLG	164,700	82,350	50%
Lake Kopiago LLG	115,500	57,750	50%
Awil/Pori LLG	142,000	71,000	50%

Enga	2,325,800	1,162,900	50%
Kompiam LLG	195,700	97,850	50%
Ambun LLG	139,700	69,850	50%
Wapi LLG	57,700	28,850	50%
Wapenamanda LLG	267,000	133,500	50%
Tsask LLG	109,800	54,900	50%
Wabag LLG	348,500	174,250	50%
Maramuni LLG	50,100	25,050	50%
Wabag Urban LLG	110,800	55,400	50%
Lagaip LLG	247,600	123,800	50%
Maip/Muritaka LLG	123,700	61,850	50%
Porgera LLG	177,300	88,650	50%
Paiela/Hewa LLG	86,200	43,100	50%
Kandep LLG	157,800	78,900	50%
Wage LLG	181,200	90,600	50%
Piliakambi Rural LLG	72,700	36,350	50%

Western Highlands	3,693,500	1,846,750	50%
Anglimp LLG	293,700	146,850	50%
South Waghi LLG	369,900	184,950	50%
Mul LLG	233,800	116,900	50%
Baiyer LLG	156,300	78,150	50%
Lumusa LLG	45,900	22,950	50%
Kotna LLG	172,900	86,450	50%
Muglamp LLG	184,400	92,200	50%
Mt Hagen Urban LLG	733,800	366,900	50%
Mt Hagen Rural LLG	405,700	202,850	50%
Jimi LLG	180,900	90,450	50%
Kol LLG	115,400	57,700	50%
North Waghi LLG	229,300	114,650	50%
Nondugi LLG	127,600	63,800	50%
Nebilyer LLG	213,200	106,600	50%
Mt Giluwe LLG	230,700	115,350	50%

Eastern Highlands	3,556,000	1,778,000	50%
Gahuka Rural LLG	229,400	114,700	50%
Goroka Urban LLG	513,900	256,950	50%
Mimanalal Rural LLG	130,500	65,250	50%
Kainantu Urban LLG	178,700	89,350	50%
Agarabi Rural LLG	157,500	78,750	50%
Gadsup/Tairora Rural LLG	256,000	128,000	50%
Kamano No.1 Rural LLG	82,100	41,050	50%
Lamari Rural LLG	124,500	62,250	50%
Yelia Rural LLG	135,900	67,950	50%
Kamano No.2 Rural LLG	88,400	44,200	50%
East Okapa Rural LLG	246,700	123,350	50%
West Okapa Rural LLG	184,400	92,200	50%
Dunantina Rural LLG	103,000	51,500	50%
Paiyantina Rural LLG	135,700	67,850	50%
Kafantina Rural LLG	144,800	72,400	50%
Mt. Michael Rural LLG	119,100	59,550	50%
Unawi Rural LLG	45,800	22,900	50%
Yagaris Rural LLG	154,100	77,050	50%
Upper Bena Rural LLG	90,600	45,300	50%
Unggal Bena Rural LLG	71,400	35,700	50%
Lower Bena Rural LLG	147,500	73,750	50%
Lower Asaro Rural LLG	109,100	54,550	50%
Upper Asaro Rural LLG	60,100	30,050	50%
Watabung Rural LLG	46,800	23,400	50%

Sandann	2,329,000	0	0%
Aitape East LLG	200,800	0	0%
Aitape West LLG	124,000	0	0%
West Wapei LLG	79,900	0	0%
East Wapei LLG	69,800	0	0%
Palai LLG	88,300	0	0%
Maimai Wanwan LLG	65,100	0	0%
Yangkok LLG	125,100	0	0%
Namea LLG	123,700	0	0%
Oksapmin LLG	198,100	0	0%
Telefomin LLG	144,700	0	0%
Yapsie LLG	107,200	0	0%
Amanab LLG	133,100	0	0%
Green River LLG	151,200	0	0%
Vanimo Bewani LLG	201,700	0	0%
Vanimo Urban LLG	257,200	0	0%
Walsa LLG	83,200	0	0%
Nuku LLG	175,900	0	0%

NCD Town Services Grant	3,718,300	1,859,150	50%
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Bougainville (a)	n/a	n/a	n/a
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(a) Bougainville does not receive direct local level grants from the National Government.

PROVINCE AND LOCAL-LEVEL GOVERNMENTS	RURAL AND URBAN LLG GRANTS (KINA)		
	2012 Appropriation	Funds released	
		Year to date (Jan to Mar)	% RELEASED
Simbu	2,084,900	1,042,450	50%
Siane LLG	81,700	40,850	50%
Elimbari LLG	92,900	46,450	50%
Chuave LLG	86,800	43,400	50%
Waiye LLG	166,300	83,150	50%
Mitnande LLG	109,000	54,500	50%
Nigilkande LLG	87,700	43,850	50%
Kundiawa Urban LLG	212,700	106,350	50%
Gumine LLG	109,600	54,800	50%
Mt Digine LLG	98,600	49,300	50%
Bomai/Kumai LLG	54,400	27,200	50%
Karamui LLG	137,500	68,750	50%
Salt LLG	104,100	52,050	50%
Nomane LLG	54,700	27,350	50%
Kup LLG	89,400	44,700	50%
Gena/Waugla LLG	113,600	56,800	50%
Lower/Upper Koronigh LLG	182,900	91,450	50%
Kerowagi Urban LLG	31,100	15,550	50%
Tabare LLG	75,800	37,900	50%
Yonggomugi LLG	99,500	49,750	50%
Suwai LLG	96,600	48,300	50%

Morobe	6,218,500	3,109,250	50%
Yabim/Mape LLG	96,500	48,250	50%
Kotte LLG	54,000	27,000	50%
Hube LLG	133,900	66,950	50%
Finchaffan Urban LLG	67,300	33,650	50%
Burum/Kuat LLG	69,700	34,850	50%
Siassi LLG	117,200	58,600	50%
Sialum LLG	158,600	79,300	50%
Wasu LLG	90,000	45,000	50%
Deyamos LLG	121,500	60,750	50%
Selepet LLG	99,200	49,600	50%
Yus LLG	92,300	46,150	50%
Komba LLG	94,400	47,200	50%
Leron/Wantao LLG	115,100	57,550	50%
Atzera/Umi LLG	237,500	118,750	50%
Ongga/Waffa LLG	71,600	35,800	50%
Wain/Erap LLG	140,700	70,350	50%
Nabak LLG	66,800	33,400	50%
Labutu LLG	89,300	44,650	50%
Salamaua LLG	89,900	44,950	50%
Wampar LLG	328,200	164,100	50%
Morobe LLG	96,600	48,300	50%
Mumeng LLG	140,500	70,250	50%
Waria LLG	83,600	41,800	50%
Wau LLG	157,400	77,600	109%
Watut LLG	118,400	59,200	50%
Wau/Bulolo Urban LLG	343,200	78,700	23%
Buang LLG	67,100	33,550	50%
Kapao LLG	85,600	42,800	50%
Wapi LLG	115,400	57,700	50%
Kome LLG	172,400	86,200	50%
Nanima/Kariba LLG	150,600	75,300	50%
Ahi LLG	282,400	141,200	50%
Lae Urban LLG	2,071,600	1,035,800	50%



DEPARTMENT OF TREASURY



NATIONAL ECONOMIC AND FISCAL COMMISSION

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

UPDATE OF 2012 WARRANT RELEASES, JAN - APR

This information shows the funding provided from the 2012 Budget by the National Government to the end of April 2012 to assist meet the operational goods and services delivery costs of Provincial and Local-level Governments.

This goods and services funding from the National Government includes Function and Administration Grants to Provincial Governments and Grants for Urban Local-level Governments (LLGs) and Rural LLGs.

To enhance service delivery in the provinces, the National Government through its Reform of Intergovernmental Financing Arrangements (RIGFA) provided significant increases in funding for most provinces in the 2011 and 2012 budgets. The Department of Treasury has also released, on average, 50% of all goods and services funding to Provincial Governments by the end of April (where their Budget has been approved by the Treasurer). It is thus expected that Provincial Governments will increase their efforts to improve service delivery through expending the full amount of each goods and services grant within the 2012 Budget year.

Provincial Governments are expected to supplement this National Government funding for core service delivery sectors with their own internal revenues, which includes GST distributions from the Internal Revenue Commission, royalties and dividends from mining and petroleum resource projects.

PROVINCIAL GOVERNMENT	TOTAL GOODS AND SERVICES GRANTS (KINA)			ADMINISTRATION GRANT (KINA)			HEALTH FUNCTION GRANT (KINA)			EDUCATION FUNCTION GRANT (KINA)			OTHER SERVICE DELIVERY GRANT (KINA)		
	2012 Appropriation	Funds released		2012 Appropriation	Funds released		2012 Appropriation	Funds released		2012 Appropriation	Funds released		2012 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 Apr)			(Jan to Apr)			(Jan to Apr)			(Jan to Apr)			(Jan to Apr)	
Western	6,465,900	3,232,950	50%	84,200	42,100	50%	822,300	411,150	50%	779,800	389,900	50%	84,200	42,100	50%
Gulf	14,273,100	6,776,550	47%	711,400	355,700	50%	3,250,100	1,265,050	39%	2,847,200	1,423,600	50%	1,468,900	734,450	50%
Central	15,641,100	7,832,600	50%	730,000	365,000	50%	3,060,300	1,541,900	50%	3,083,700	1,541,900	50%	1,378,400	689,200	50%
NCD (*)	3,913,400	1,956,700	50%	0	0	0%	0	0	0%	0	0	0%	0	0	0%
Milne Bay	22,017,400	5,509,800	25%	1,073,000	268,300	25%	5,535,800	1,384,000	25%	4,695,100	1,173,800	25%	2,238,000	559,500	25%
Oro	13,114,600	6,557,300	50%	595,400	297,700	50%	2,739,200	1,369,600	50%	2,511,000	1,255,500	50%	1,125,600	562,800	50%
Southern Highlands	19,746,300	9,873,150	50%	265,800	132,900	50%	4,500,100	2,250,050	50%	3,011,100	1,505,550	50%	1,117,500	558,750	50%
Enga	14,128,900	7,064,450	50%	485,300	242,650	50%	2,890,100	1,445,050	50%	1,380,400	690,200	50%	953,400	476,700	50%
Western Highlands	23,335,100	11,667,550	50%	455,800	227,900	50%	4,727,200	2,363,600	50%	5,474,000	2,737,000	50%	757,600	378,800	50%
Simbu	19,009,300	9,504,650	50%	857,200	428,600	50%	3,479,500	1,739,750	50%	4,236,600	2,118,300	50%	1,714,900	857,450	50%
Eastern Highlands	25,189,600	12,594,800	50%	1,090,000	545,000	50%	4,283,300	2,141,650	50%	4,650,500	2,325,250	50%	1,391,800	695,900	50%
Morobe	14,335,500	7,167,750	50%	585,300	292,650	50%	1,275,800	637,900	50%	2,000,000	1,000,000	50%	967,500	483,750	50%
Madang	26,219,200	2,517,400	10%	811,100	90,100	11%	5,515,000	612,800	11%	4,369,800	485,600	11%	2,214,900	246,100	11%
East Sepik	33,686,500	3,365,500	10%	1,006,000	111,800	11%	7,518,400	835,700	11%	6,238,400	693,200	11%	2,896,500	321,800	11%
Sandaun	21,565,900	2,137,600	10%	855,500	95,100	11%	5,011,900	556,900	11%	4,358,600	484,300	11%	1,876,500	208,500	11%
Manus	10,774,600	5,387,300	50%	894,100	447,050	50%	2,106,600	1,053,300	50%	2,179,700	1,089,850	50%	996,200	498,100	50%
New Ireland	3,786,400	1,893,250	50%	25,300	12,650	50%	848,300	424,150	50%	579,300	289,650	50%	50,900	25,450	50%
East New Britain	16,276,400	8,138,350	50%	81,100	40,600	50%	3,883,400	1,941,700	50%	3,266,600	1,633,300	50%	589,800	294,900	50%
West New Britain	15,290,400	7,645,200	50%	61,000	30,500	50%	2,906,500	1,453,250	50%	3,801,000	1,900,500	50%	1,360,600	680,300	50%
Bougainville (*)	0	0	n/a	0	0	0%	0	0	0%	0	0	0%	0	0	0%
TOTAL	318,769,600	120,822,850	38%	10,667,500	4,026,300	38%	64,353,800	23,427,500	36%	59,462,800	22,737,400	38%	23,183,200	8,314,550	36%

PROVINCIAL GOVERNMENT	TRANSPORT INFRASTRUCTURE MAINTENANCE FUNCTION GRANT (KINA)			PRIMARY PRODUCTION GRANT (KINA)			VILLAGE COURTS FUNCTION GRANT (KINA)			VILLAGE COURT ALLOWANCES GRANT (KINA) <i>Not for Goods & Services</i>			RURAL LLG GRANTS AND URBAN LLG GRANTS		
	2012 Appropriation	Funds released		2012 Appropriation	Funds released		2012 Appropriation	Funds released		2012 Appropriation	Funds released		2012 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 Apr)			(Jan to Apr)			(Jan to Apr)			(Jan to Apr)			(Jan to Apr)	
Western	1,374,700	687,350	50%	618,100	309,050	50%	274,000	63,800	23%	274,000	13,700	5%	2,301,000	1,273,800	55%
Gulf	3,230,800	1,615,400	50%	1,038,200	519,100	50%	489,000	50,000	10%	489,000	244,500	50%	1,137,500	568,750	50%
Central	4,775,500	2,387,800	50%	534,100	267,100	50%	297,700	90,000	30%	297,700	148,900	50%	1,601,400	800,800	50%
NCD (*)	0	0	0	0	0	0	195100	0	0	195,100	97,550	0%	3,718,300	1,859,150	50%
Milne Bay	4,522,400	1,130,600	25%	1,355,300	338,800	25%	316,900	48,200	15%	316,900	118,700	37%	2,088,200	487,900	23%
Oro	3,258,400	1,629,200	50%	1,106,700	553,350	50%	138,200	21,250	15%	138,200	69,100	50%	1,597,600	798,800	50%
Southern Highlands	4,076,600	2,038,300	50%	1,072,900	536,450	50%	558,800	161,400	29%	558,800	279,400	50%	4,820,700	2,410,350	50%
Enga	4,437,300	2,218,650	50%	587,900	293,950	50%	878,300	95,200	11%	878,300	439,150	50%	2,325,800	1,162,900	50%
Western Highlands	5,726,000	2,863,000	50%	1,573,400	786,700	50%	653,300	137,150	21%	653,300	326,650	50%	3,693,500	1,846,750	50%
Simbu	5,223,400	2,611,700	50%	882,200	441,100	50%	380,400	75,100	20%	380,400	190,200	50%	2,084,900	1,042,450	50%
Eastern Highlands	8,162,700	4,081,350	50%	1,464,900	732,450	50%	437,400	76,500	17%	437,400	218,700	50%	3,556,000	1,778,000	50%
Morobe	2,266,300	1,133,150	50%	465,300	232,650	50%	399,800	78,500	20%	399,800	199,900	50%	6,218,500	3,109,250	50%
Madang	7,571,600	841,300	11%	1,508,000	167,600	11%	321,000	38,200	12%	321,000	35,700	11%	3,563,900	0	0%
East Sepik	9,540,500	1,060,000	11%	2,076,800	230,800	11%	481,600	58,700	12%	481,600	53,500	11%	3,400,000	0	0%
Sandaun	5,444,100	604,900	11%	1,216,500	135,200	11%	171,200	33,600	20%	171,200	19,100	11%	2,329,000	0	0%
Manus	3,034,500	1,517,250	50%	671,600	335,800	50%	190,700	87,650	46%	190,700	95,350	50%	525,900	262,950	50%
New Ireland	570,400	285,200	50%	307,500	153,750	50%	188,900	13,850	7%	188,900	94,450	50%	1,188,100	594,100	50%
East New Britain	4,043,300	2,021,700	50%	1,610,300	805,150	50%	264,000	38,900	15%	264,000	132,000	50%	2,460,200	1,230,100	50%
West New Britain	2,168,600	1,084,300	50%	2,483,600	1,241,800	50%	500,300	110,350	22%	500,300	250,150	50%	1,788,100	894,050	50%
Bougainville (*)	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%
TOTAL	79,427,100	29,811,150	38%	20,573,300	8,080,800	39%	7,136,600	1,278,350	18%	7,136,600	3,026,700	42%	50,398,600	20,120,100	40%

FURTHER INFORMATION ON THE PURPOSE OF GRANTS

Administration and Function Grants are provided to Provincial Governments to ensure that adequate funding is directed towards the Medium Term Development Strategy priorities. Funding from these grants should only be used to pay for operational and recurrent costs i.e. goods & services. They cannot be spent on **salaries or capital development**.

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 to fund goods and services to ensure rural health services are operational. 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. Distribution 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 applied to the 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. For maritime provinces - wharves and jetties maintenance**.

The **Primary Production Function Grant** replaces the old derivation and agriculture grant, and is provided to Provincial Governments to further the development of primary and export commodities in the Province. The Grant provides funding for the recurrent cost of goods and services associated with agriculture and other primary production, including fisheries, livestock and forestry. The grant covers activities such as extension services to farmers, farmer training, and the distribution of seeds and other technologies to farmers and fishermen. *MPA for this sector is to provide Extension activities for agriculture, fisheries and forestry*.

The **Village Court Function Grant** should be applied to the operational and supervision costs incurred in the village court sector for the purchase of goods and services. The grant should not be used to fund the costs of salaries or allowances for village court officials. *MPA for this sector is the Provision of Operational materials*.

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

The **Other service delivery function grant** is provided towards the costs of other sectors not covered by the Function Grants. This includes such areas as community development, natural resource management, business development and lands administration.

(*) **Autonomous Region of Bougainville and National Capital District Commission** receive a different set of grant types from the National Government.

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