

## ABOUT NATIONAL ECONOMIC & FISCAL COMMISSION (NEFC)

### MANDATE OF THE COMMISSION

The NEFC is established under section 187H of the Constitution of Papua New Guinea. The Commission is an *independent and impartial advisory institution* to the National Parliament and the government and its overarching role is to:

- Assess and monitor the economic and fiscal policies of the national, provincial and local level governments;
- Advise and recommend to the National Executive Council appropriate economic and fiscal policies;
- Make recommendations to the National Executive Council and the National Parliament on the intergovernmental financing arrangements and administration of grants.

### ENABLING LEGISLATION

NEFC is established under section 187H of the Constitution and its detailed roles and responsibilities are further specified under the following principle legislations;

1. *Organic Law on Provincial & Local Level Governments (OLPLLG) 1998 - Section 117;*
2. *Intergovernmental Relations (Functions & Funding) Act 2009; and*
3. *National Economic & Fiscal Commission Act 2009.*

And other relevant and related legislations of other line agencies, sub national governments, authorities and statutory bodies

### BOARD COMPOSITION

The Commission consists of:

- A Board with a full time Chairman who is also the Chief Executive Officer (CEO) of the Commission.
- The OPLLG (sect 117) Act provides a board membership of 3, including the Chairman & CEO.
- All board members are appointed by the Head of State on the advice of the National Executive Council (NEC).

### STAFF COMPOSITION

The staff comprises of the Chairman/CEO, two Directors supported by Policy Officers , HR and Administration staff. Staff strength or filled positions is 52% of the approved DPM positions.

### VISION

We envision a prosperous society for all Papua New Guineans through fair and equitable distribution of development opportunities and economic growth, no matter where they live.

### MISSION

To provide quality and timely independent and objective advice on economic, fiscal and public policy issues to the national and sub-national governments which will result in equitable distribution of development opportunities, economic growth and prosperity for the people of Papua New Guinea.

### VALUES & GUIDING PRINCIPLES

Our values are important because they reflect our organizational culture and provide guiding principles to our staff in their decision-making and behavior.

**Our People :**

**Our Stakeholder & Partners:**

**Our Professionalism:**

**Our Results:**

### CORPORATE OUTCOMES

The NEFC has adopted the following five (5) corporate outcomes areas to implement its strategies and achieve key performance indicators in the corporate plan.

1. Economic & Fiscal Policy Advice
2. Advice on Intergovernmental Financing Arrangements
3. On-going Improvement to Intergovernmental Financial Arrangements (IGFA)
4. Monitoring of Provincial Budget & Financial Management Practices
5. Institutional Strengthening and Workforce Capacity Building



## National Economic and Fiscal Commission

# CORPORATE PLAN 2019—2022

November 2018



**Strengthening service delivery partnerships and integrated enabling systems.**



# STRATEGIC FOCUS, OBJECTIVES, STRATEGIES & ACTIONS : 2019—2022

<b>Objective 1</b>	Fulfill mandated function of the current intergovernmental financing system.
<b>Strategy</b>	Maintain on going activities of the current intergovernmental financing system.
<b>Actions</b>	1.1 Determine functional grants for the provinces & LLGs. 1.2 Provide decentralization support to sub national governments and line agencies. 1.3 Production & publication of evidence based publications and targeted studies.

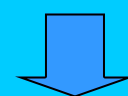
<b>Objective 2</b>	Successes and issues/gaps in the current intergovernmental financing system are identified and recommendations for improvement are made .
<b>Strategy</b>	Undertake a review of the current intergovernmental financing systems through targeted studies.
<b>Actions</b>	2.1 Provide support to gradative decentralization mapping. 2.2 Review grant calculation model. 2.3 Review, validate & update cost of service model. 2.4 Conduct a major study on fiscal decentralization with sub studies on national government fiscal envelope, subsector national fiscal envelope and intergovernmental decentralization systems. 2.5 Conduct sub sector reviews. 2.6 Review financial management practices. 2.7 Formalize and publish facility based reviews. 2.8 Conduct Taxation study. 2.9 Study into gradative decentralization for provinces mooted for fiscal and administrative autonomy and also for (AROB) Bougainville and NCD.

## Strategic Focus Areas

- ✓ Maintain ongoing activities
- ✓ Review current intergovernmental financing systems
- ✓ Conduct targeted impact research studies
- ✓ Develop evidence based policies
- ✓ Build & strengthen Institutional capacity



Integrated decentralization financing system



IMPROVED SERVICE DELIVERY

<b>Objective 3</b>	Evidence based policies developed for improvements and changes to the current fiscal decentralization system.
<b>Strategy</b>	Convert the reviews and impact studies to evidence based policy advice and recommendations in language easy to understand by policy makers.
<b>Actions</b>	3.1 Develop a major policy paper on a fully integrated fiscal decentralization management system that would cover and not limiting to the following; functions and responsibilities, governance, accountability, financial practices, fiscal capacity at the national to sub nationals levels addressing vertical & horizontal imbalances and possibility of integrating the development and recurrent expenditures. 3.2 Develop communication strategy to support the policy development and engagement with the government and other stakeholders.

<b>Objective 4</b>	The Commission has the institutional capacity that delivers the medium term strategy and its objectives.
<b>Strategy</b>	Review, identify and build up the institutional capacity requirements of the Commission to support the medium term strategy.
<b>Actions</b>	4.1 People— Review corporate structure and build up human resource capacity through training and development, rewarding and recognition and recruitment—both local and international expertise. 4.2 Tools— Secure financial resources, upgrade IT infrastructure—hardware and software and replace agency motor vehicles/other assets. 4.3 Processes & Governance— Review and embed policies, processes and controls for good prudent management and governance.