



National Gazette

PUBLISHED BY AUTHORITY

(Registered at the General Post Office, Port Moresby, for transmission by post as a Qualified Publication)

No. G31]

PORT MORESBY, TUESDAY, 29th JANUARY

[2013

National Information and Communications Technology Act 2009 (National ICT Act 2009)

NOTICE OF THE 2013 NATIONAL INFORMATION AND COMMUNICATIONS TECHNOLOGY AUTHORITY (NICTA) BUDGET AS PRESCRIBED UNDER THE NATIONAL ICT ACT 2009

I, Charles S. Punaha, Chief Executive Officer of NICTA, by virtue of the powers conferred by Section 30(1) and (2) of the *National ICT Act 2009* and all other powers me enabling, hereby give notice of NICTA's 2013 Budget, as set out below and which Budget, in accordance with the relevant provisions of the *National ICT Act 2009* has been submitted to the Secretary of the Department of Treasury.

NICT Budget for the Fiscal Year Ended December 31st, 2013.

Revenue & Expenditure Summary Year Ended 31/12/2013	2013 Budget December 31, 2013	2012 Budget December 31, 2013
<i>Operational Revenue</i>	K	K
Operator Licence Fees	5,700,000	5,500,000
Spectrum Licence Fees ...	20,225,540	16,410,000
Corporate Licence Fees	500,000	360,000
Satellite Resources	1,300,000	1,802,000
Field Inspection / PABX / Cabling Fees	230,000	210,000
Numbering Fees	350,000	350,000
Others (Rental / Bank Interest / Miscellaneous)	960,000	910,000
Operational Revenue	29,265,540	25,542,936
Revenue from Asset Disposal	4,000,000	3,500,000
Arrears Revenue	3,000,000	3,500,000
Total Revenue	36,265,540	32,542,936
<i>Operational Expenditure</i>		
Board of Directors	550,000	595,000
Office of the Chief Executive Officer	2,298,518	2,256,125
Economic, Consumer & International Affairs Department	4,904,238	3,894,731
Licensing & Enforcement Department	3,836,604	3,270,319

Notice of the 2013 National Information and Communications Technology Authority (NICTA) Budget as Prescribed under the *National ICT Act 2009*—continued

Revenue & Expenditure Summary Year Ended 31/12/2013	2013 Budget December 31, 2013	2012 Budget December 31, 2013
<i>Operational Expenditure—continued</i>	K	K
Engineering & Resource Planning Department	3,828,102	3,717,462
Universal Access Scheme Department	1,092,632	1,074,381
Corporate Services Department	13,249,057	9,776,721
Total Operation Expenditure	29,759,151	24,584,739
<i>Capital Expenditure</i>		
Office of the Chief Executive Officer	130,000	30,000
Economic, Consumer & International Affairs Department	350,000	215,000
Licensing & Enforcement Department	1,030,000	1,080,000
Engineering & Resource Planning	290,000	230,000
Universal Access Scheme Department	170,000	325,197
Corporate Services Department	4,536,389	6,078,000
Total Capital Expenditure	6,506,389	7,958,197
Total Expenditure	36,265,540	32,542,936
Net Surplus / (Deficit)	—	—

Explanatory Notes:

Operational Revenue Budget: The Operational Revenue budgeted for 2013 is K29.3 million, a net increase of K3.7 million or 14.6% from the 2012 Budget of K25.5 million. The increased revenue for 2013 is contributed mainly by K3.8 million or 23.3% increase in the Spectrum Licence Fees.

The other increases are off-set by the 27.9% reduction in the Satellite Resources Revenue Budget for 2013, mainly due to currency fluctuations.

Revenue from Assets Disposal: The disposal of assets and associated revenue budgeted for 2013 is K4 million, compared to K3.5 million budgeted in 2012. The increase of 14% is attributed to CPI factors associated with the assets earmarked for disposal.

Arrears Revenue: The arrears revenue budgeted for collection in 2013 is K3 million, a reduction of 14.3% from the 2012 budgeted amount of K3.5 million. A more conservative estimate has been budgeted for 2013 in light of the 2012 actuals exceeding the budget.

Operational Expenditure Budget: The operational expenditure budget for 2013 is K29.8 million, an increase of K5.2 million or 21.0% from the 2012 Budget of K24.6 million. The major contributors to the increase are: (1) Economic, Consumer and International Affairs Department (ECIAD); and (2) Corporate Services Department (CSD).

ECIAD: An increase of K1 million; attributed to the K0.75 million allocation for the hosting of a Regional Conference (Workshop), most likely the APEC Tel, on behalf of the State.

The other K0.25 million increase is contributed by overhead costs necessitated by the need to provide adequate financial resources to meet the Department's short to medium term targets. State Membership costs to regional and international bodies area also borne by the Department.

CSD: An increase of K3.5 million, of which K2 million is attributed to increased budgetary allocations for staff and related costs such as rental accommodation, employee liabilities, advertising, staff uniforms, etc.

The balance of the K1.5 million is contributed by increased allocations in other corporate overheads, including rental for the Kokopo Regional Office, and non cash provision for depreciation expenses for the new capital expenditure for 2013.

Notice of the 2013 National Information and Communications Technology Authority (NICTA) Budget as Prescribed under the *National ICT Act 2009*—*continued*

Capital Expenditure Budget: The capital expenditure budget for 2013 is K6.5 million compared to K7.9 million for 2012. This represents a reduction of K1.5 million or 18.2%.

The K1.5 million net reduction comprises of K2.5 million reduction in budget allocation for the new head office building — that is K4.5 million budgeted for 2013 compared to the K2 million reduced budget allocation for 2013.

The increase in allocations for staff housing scheme and property improvements when netted-off with the reduced budget allocation of the head office building results in the K1.5 million net reduction.

Surplus: There is no budget surplus provided for in the 2013 NICTA Budget. However, actual budget surplus may be realised as a result of cost savings or revenue collections exceeding the budget, during the actual implementation of the 2013 NICTA budget.

The K36.3 million balanced budget will be achieved on the assumption that K3.5 million Operational Surplus anticipated in 2013 plus the K3 million. Arrears Revenue collection will provide the K6.5 million cash to finance the budgeted Capital Expenditure of K6.5 million in 2013.

Dated this 23rd day of January, 2013.

C.S. PUNAHA,
Chief Executive Officer.