



National Gazette

PUBLISHED BY AUTHORITY

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

No. G1011] PORT MORESBY, TUESDAY, 17th DECEMBER [2019

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

NOTICE OF 2020 NICTA BUDGET UNDER NATIONAL ICT ACT, 2009

I, **Charles. S. Punaha**, Chief Executive Officer of National Information and Communications Technology Authority (also referred to as NICTA), as required by Section 30(2) of the *National ICT Act, 2009* hereby give notice of NICTA's 2020 Budget set out below; and which Budget has been made in accordance with the relevant provisions of the *National ICT Act, 2009*.

| | 2020 (K) | 2019 (K) |
|---|-------------------|--------------------|
| Revenue: | | |
| Operator License Fees | 5,7000,00 | 5,7000,00 |
| Spectrum License Fees | 25,435,922 | 25,515,922 |
| Corporate License Fees | 1,000,000 | 1,000,000 |
| Satellite Resources | 12,010,530 | 12,010,530 |
| Field Inspection/PABX/Cabling Fees | 440,000 | 750,000 |
| Numbering Fees | 10,000 | 10,000 |
| Others (Rental/Bank Interest/misc.) | 130,000 | 500,000 |
| Operational Revenue | 44,726,452 | 45,486,452 |
| Revenue from Asset Disposal | 14,000,000 | 4,500,000 |
| Sale of Badihagwa Land | 4,500,000 | 10,000,000 |
| Sale on 8 Mile Allotments | | 6,300,000 |
| UAS Project Levy | 20,000,000 | 25,000,000 |
| GoPNG Counter Funding | 10,000,000 | 5,000,000 |
| Arrears Revenue | 2,160,720 | 6,000,000 |
| Total Revenue | 95,387,172 | 102,286,452 |
| Operational Expenditure: | | |
| Board of Directors | 1,050,000 | 1,050,000 |
| Office of Chief Executive Officer | 4,088,012 | 4,077,202 |
| Economics, Consumer & International Affairs | 5,836,916 | 8,158,110 |
| Licensing & Enforcement | 6,835,530 | 6,316,461 |

Notice of 2020 NICTA Budget under *National ICT Act, 2009*—continued

| | | |
|---|-------------------|--------------------|
| Engineering & Resource Planning | 6,833,040 | 11,222,982 |
| UAS-Universal Access Secretariat | 7,928,642 | 8,419,559 |
| Corporate Services | 14,130,032 | 21,592,139 |
| Total Operational Expenditure | 46,702,172 | 60,786,452 |
| Capital Expenditure: | | |
| Office of Chief Executive Officer | 225,000 | 535,000 |
| Economics, Consumer & International Affairs | 590,000 | 425,000 |
| Licensing & Enforcement | 1,890,000 | 2,080,000 |
| Engineering & Resource Planning | 510,000 | 360,000 |
| UAS-Universal Access Secretariat | 38,382,630 | 31,000,000 |
| Corporate Services | 7,087,370 | 7,100,000 |
| Total Capital Expenditure | 48,685,000 | 41,500,000 |
| Total Expenditure | 95,387,172 | 102,286,452 |
| Net Surplus/(Deficit) | - | - |

Explanatory Notes:

Revenue: Operational Revenue budgeted for 2020 is K44.7 million. Significant component of this revenue is to be collected from operator license fees, spectrum fees and satellite resources.

The other revenue including the UAS Levy Fees denoted below;

- Universal Access Levy Fees K20.0 million
- GoPNG counterpart funding K10.0 million
- Badihagwa HOS Land Sale K4.5 million
- Disposal of assets (town land) 14.0 million
- Arreas Revenue estimated at K2.1 million is budgeted for collection in 2020

Total revenue, inclusive of operational revenue, asset disposal, arrears and UAS Project is K95.3 million

Budget Comparison: 2020 versus 2019

Decrease of K760k operational revenues in 2020, attributed to marginal decrease in bank interest from IBDs due to withdrawals made in 2019 to finance the Head Office Building and decrease in field inspection fees.

Operational Expenditure budgeted for 2020 is K46.7 million. This amount is allocated to six functional departments and the board directors, a total of seven cost Centre's. The total operational expenditure for 2020 has decreased by K14.0 million the decrease is attributed to decrease in staff severance payouts which has been settled in 2019, and also the decreases in other corporate overhead costs budgeted for Economics, Consumer & International Relations, Engineering & Resource Planning, Corporate Services and Universal Access Secretariat.

Capital expenditure was increased to K48.6 million from K41.5 million from the previous year. The increase of K7.1 million is attributed to Rural Communication Projects earmarked for 2020.

There is no surplus anticipated in the budget for 2020. Any surpluses that materialize during the budget implementation in 2019 will be the result of cost savings or revenue collection exceeding budget.

Issued this 17th day of December, 2019.

C.S. PUNAHA,
CEO, NICTA.