



# National Gazette

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[2019

## NOTICE OF 2019 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 2019 Budget set out below and which Budget has been made in accordance with the relevant provisions of the *National ICT Act, 2009*.

	2019 (K)	2018 (K)
<b>Revenue</b>		
Operator License Fees	5,700,000	5,700,000
Spectrum License Fees	25,515,922	24,022,887
Corporate License Fees	1,000,000	750,000
Satellite Resources	12,010,530	15,200,000
Field Inspection/PABX/Cabling Fees	750,000	425,000
Numbering Fees	10,000	10,000
Others (Rental/Bank Interest/misc.)	500,000	1,050,000
<b>Operational Revenue</b>	<b>45,486,452</b>	<b>47,157,887</b>
Revenue from Asset Disposal	4,500,000	4,550,000
Sale of Badihagwa Land	10,000,000	
Sale on 8 Mile Allotments	6,300,000	
UAS Project Levy	25,000,000	25,000,000
GoPNG Counter Funding	5,000,000	
Arrears Revenue	6,000,000	6,000,000
<b>Total Revenue</b>	<b>102,286,452</b>	<b>82,707,887</b>
<b>Operational Expenditure</b>		
Board of Directors	1,050,000	750,000
Office of Chief Executive Officer	4,077,202	3,111,990
Economics, Consumer & International Affairs	8,158,110	7,734,565
Licensing & Enforcement	6,316,461	5,943,318
Engineering & Resource Planning	11,222,982	9,692,383
UAS-Universal Access Secretariat	8,419,559	8,326,123
Corporate Services	21,592,139	14,809,508
<b>Total Operational Expenditure</b>	<b>60,786,452</b>	<b>50,367,887</b>

**Notice of 2019 Nicta Budget under *National ICT Act, 2009—Continued***

**Capital Expenditure**

Office of Chief Executive Officer	535,000	235,000
Economics, Consumer & International Affairs	425,000	425,000
Licensing & Enforcement	2,080,000	4,980,000
Engineering & Resource Planning	360,000	160,000
UAS-Universal Access Secretariat	31,000,000	25,600,000
Corporate Services	7,100,000	10,940,000
<b>Total Capital Expenditure</b>	<b>41,500,000</b>	<b>42,340,000</b>
<b>Total Expenditure</b>	<b>102,286,452</b>	<b>92,707,887</b>
<b>Net Surplus/ (Deficit)</b>		<b>(10,000,000)</b>

**Explanatory Notes:**

**Revenue:** Operational Revenue budgeted for 2019 is K45.4 million. Significant component of this revenue is to be collected from operator license fees, spectrum fees and satellite resources. These three sources contribute total revenue of K43.2 million.

The other revenue including the UAS Levy Fees denoted below;

- Universal Access Levy Fees K25.0 million
- GoPNG Counterpart funding K5.0 million
- Badihagwa HOS Land Sale K10.0 million
- Sale of 8 Mile allotments K6.3 million
- Disposal of assets and associated revenue is budgeted at K4.5 million
- Arrears Revenue estimated at K6.0 million is budgeted for collection in 2019

Total Revenue, inclusive of operational revenue, asset disposal, arrears and UAS Project is K102.2 million.

Budget Comparison: 2019 versus 2018.

Decrease of K1.7 million operational revenue in 2019, attributed to marginal decrease in Satellite Filing Fees due to new agreement with Satellite operators.

Operational Expenditure budgeted for 2019 is K60.7 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 2019 has increased by K10.7 million the increase is attributed to increase in corporate overhead costs budgeted for five functional departments, namely Economics, Consumer & International Relations, Licensing & Enforcement, Engineering & Resource Planning and Universal Access Secretariat totally to K2.5 million and the K8.2 million is budgeted for payment of ex-gratia to staff in year 2019.

Capital expenditure was decreased to K41.5 million from K42.3 million the previous year. The decrease of K0.8 million is net off of the capital expenditure in 2019. An increase in UAS projects by K5.4 million and decrease in L&E by K2.9 million, decrease of CSD by K3.8 million.

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

Issued this 16th day of January, 2019.

C.S. PUNAHA,  
Chief Executive Officer.