

Public Finances (Management)

SCHEDULE.

Sec. 118.

Acts Repealed.

Public Finances (Management) Act 1986 (No. 35 of 1986)
Public Finances (Management) (Amendment) Act 1986 (No. 48 of 1986)
Public Finances (Management) (Amendment) Act 1987 (No. 46 of 1987)
Constitutional Changes (Consequential Amendment) Act 1988 (No. 17 of 1988)
(Part III only)
Public Finances (Management) (Amendment) Act 1988 (No. 24 of 1988)
Public Finances (Management) (Amendment) Act 1991 (No. 3 of 1991)
Public Finances (Management) (Amendment No.2) Act 1991 (No. 15 of 1991)
Public Finances (Management) (Amendment) Act 1992 (No. 18 of 1992)
Public Finances (Management) (Amendment) Act 1992 (No. 25 of 1992)
Public Finances (Management) Act 1994 (No. 48 of 1994).

I hereby certify that the above is a fair print of the *Public Finances (Management) Act 1995* which has been made by the National Parliament.

A. Pala (Sgd.)
Clerk of the National Parliament.

I hereby certify that the *Public Finances (Management) Act 1995* was made by the National Parliament on 29 June, 1995 by an absolute majority in accordance with the Constitution.

R. Namaliu (Sgd.)
Speaker of the National Parliament.

INDEPENDENT STATE OF PAPUA NEW GUINEA.

No. 21 of 1995.

Public Finances (Management) Act 1995.

ARRANGEMENT OF SECTIONS.

PART I. - PRELIMINARY.

1. Compliance with Constitutional requirements.
2. Interpretation.
 - “accountable officer”
 - “accounts and records”
 - “approved bank”
 - “Board”
 - “the Consolidated Revenue Fund”
 - “constituent law”,
 - “debt charges”
 - “Departmental Head”
 - “finance inspector”
 - “Financial Instructions”
 - “fiscal year”
 - “General Revenue Fund”
 - (definition of “General Revenue Fund” repealed and replaced by No.12 of 2003)*
 - “loan moneys”
 - “national tenderer”
 - “officer”
 - “property”
 - “Provincial and District Treasury”
 - “Provincial Treasurer”
 - “the Public Account”
 - (definition of “Public Account” repealed and replaced by No.12 of 2003)*
 - “public body”
 - (definition of “public body” repealed and replaced by No. 25 of 1996)*
 - “public moneys”
 - “public office-holder”
 - “Small Contracts Award Board”
 - (definition of “Small Contracts Award Board” repealed by No. 14 of 1998)*
 - “stores”

“this Act”
“Trust Account”
“Trust Fund”

(definition of “Trust Fund” repealed and replaced by No.12 of 2003)

PART II. - RESPONSIBILITY FOR FINANCIAL MANAGEMENT.

3. Responsibilities of the Minister.
4. Responsibilities of the Departmental Head of the Department responsible for financial management.
5. Responsibilities of Heads of Departments.
6. Accountable officers.
7. Responsibility of public office-holder in relation to collection of revenue.
8. Finance Inspectors.
9. Powers of Departmental Head and finance inspectors.
(Section 9 repealed and replaced by No. 25 of 2004)

PART III. - PUBLIC ACCOUNT.

10. The Public Account.
(Section 10 repealed and replaced by No 12 of 2003)
11. Keeping of Public Account.
12. Investment of Public Account.
13. Payments into the Consolidated Revenue Fund.
14. Payments out of Consolidated Revenue Fund.
15. Establishment of Trust Accounts.
16. Payments into Trust Accounts.
17. Payments out of Trust Accounts.
18. Moneys at credit of Trust Account not to lapse.
19. Management of Trust Account.
20. Unclaimed Trust Fund moneys.
21. Closing of Trust Accounts.

PART IV. - NATIONAL BUDGET.

22. National Budget.
23. Compilation of National Budget.

PART V. - BUDGETARY CONTROL.

24. Adjustment of appropriation as between services.
25. Adjustment of appropriation for new services.
26. Delegation.
27. Lapsing of recurrent appropriations.
28. Certain amounts deemed to have been appropriated.
29. Warrants for issue and expenditure of public moneys.

30. Lapse of certain warrants.
31. Warrant authorities.
32. Approval of requisitions.
33. Payment of accounts.
34. Transfer to trust accounts of advances of government contributions to donor-funded projects.

**PART VA.— BUDGETARY CONTROL OF REVENUE ACCRUING
TO THE STATE FROM THE DEVELOPMENT OF
MINERAL RESOURCES.**

(Part VA inserted by No. 57 of 2000)

- 34A. Interpretation
(Section 34A inserted by No. 57 of 2000)
- 34B. Preparation of estimates of revenue, etc.
(Section 34B inserted by No. 57 of 2000)
- 34C. Expenditure of excess revenue from designated mining enterprises, etc.
(Section 34C inserted by No. 57 of 2000)

**PART VI. - BORROWING, GUARANTEES AND LOANS BY
THE STATE.**

35. Restrictions on borrowing.
36. Advances and overdrafts.
37. Guarantees by the State.
38. Loans by the State.
- 38A. Application of this Part.
(Section 38A added by No. 3 of 1996).

PART VII. - STATE TENDERS AND CONTRACTS.

39. Supply and Tenders Boards.
(Section 39 repealed and replaced by 16 of 2003)
- 39A. Other specialized national supply and tenders boards.
(Section 39A inserted by 16 of 2003)
- 39B. Provincial supply and tenders boards.
(Section 39B inserted by 16 of 2003)
40. Tenders for property, stores, works and services.
41. Preference to national tenderers.
42. Consideration of tenders.
43. Small Contracts Award Board.
(Section 43 repealed by No. 5 of 1996).
44. Form of recommendation by Board.
45. Notice of successful tender.
46. Secrecy.
47. Execution, etc., of State contracts.

- (Heading of Section 47 repealed and replaced by No. 14 of 1998).*
- 47A. Offences.
(Section 47A added by No. 14 of 1998).
- 47B. Authority to pre-commit expenditure.
(Section 47B added by No. 48 of 2002)
- 47C. Certain contracts null and void.
(Section 47C added by No. 48 of 2002)
- 47D. Claim against state not enforceable in certain circumstances.
(Section 47D added by No. 48 of 2002)

PART VIII. - PUBLIC BODIES.

- 48. Application of this part.
- 49. Subsidiary corporations.
- 50. Performance and management plans.
- 51. Particulars of proposed expenditure.
- 52. Banks accounts.
- 53. Moneys payable to public bodies.
- 54. Loans by the State.
- 55. Private treaty loans.
- 56. Borrowing by overdraft.
- 57. Investment.
- 58. Application of moneys.
- 59. Contracts for works and services
- 60. Policy directions on tendering.
- 61. Approval required for certain contracts.
- 62. Accounts, records, etc.,
- 63. Reports and financial statements.
- 64. Powers of inspection of the Minister, etc.,

PART IX. - PROVINCIAL AND LOCAL-LEVEL GOVERNMENTS.

- 65. Conditional grants.
- 65A. Provincial budgets.
(Section 65A added by No. 38 of 1995).
- 66. Investment.
- 67. Loans, borrowing and guarantees.
- 68. Accounting records, etc.,
- 69. Internal control procedures.
- 70. Provincial and District Treasury.
- 70A. Payment by a Provincial Government or a Local-level Government.
(Section 70A added by No. 14 of 1998).
- 71. Statement of financial position, etc., of Provincial Government and Local-level Government.

PART X. - THE PUBLIC ACCOUNTS COMMITTEE.

72. Interpretation of Part X.
 - “the Chairman”
 - “the Committee”
 - “the Deputy Chairman”
73. Constitution of Committee.
74. Declaration to be made by members.
75. Normal term of office.
76. Vacation of office.
77. Failure to attend meetings, etc.,
78. Quorum.
79. Presiding at meetings.
80. Voting.
81. Power to sit during recess.
82. Reports.
83. Minutes.
84. Sectional Committees.
85. Continuance of evidence.
86. Functions of the Committee.
- 86A. Referral of matter.
 - (Section 86A added by No. 65 of 2000)*
87. Accounts of certain public bodies.
88. Sittings to be in public except in certain cases.
89. Power to summon witnesses.
90. Disobedience of summons.
91. Preventing witnesses from giving evidence.
92. Power to take evidence on oath or affirmation.
93. Refusing to be sworn, etc.,
94. Privileges of witnesses.
95. Protection to witnesses.
96. False evidence.
97. Witnesses’ expenses.
98. Proceedings to be instituted by Public Prosecutor.
99. Allowances.
100. Annual report by Chairman on expenditure.
101. Gazettal of Committee.

PART XI. - SURCHARGE.

102. Imposing of surcharge.
103. Procedure for imposition of a surcharge.
104. Annulment of surcharge.
105. Appeal against surcharge.
106. Recovery of amount of surcharge.

PART XII. - MISCELLANEOUS.

- 107. *Ex gratia* payments.
- 108. Writing off.
- 109. Waiver of fees.
- 110. Delegation.
- 111. Laws of another country may apply to financial operations of certain agents of the State.
- 112. Offences.
- 113. Disciplinary action.
- 114. Time for commencing proceedings.
- 114A. Disciplining of Departmental Heads, etc., in certain circumstances.
(*Section 114A added by No. 49 of 1996*).
- 115. Regulations.
- 116. Directions as to moneys outside the country.
- 117. Financial instructions.

PART XIII. - REPEAL.

- 118. Repeal.

PART XIV. - TRANSITIONAL.

- 119. Interpretation.
 - “former Committee”
 - “the repealed Public Finances Act”
- 120. Reference to Consolidated Revenue Fund.
- 121. Transfer of sums at credit of Consolidated Revenue Fund.
- 122. Reference to Trust Fund and Trust Accounts.
- 123. Transfer of Trust Accounts, etc.,
- 124. Former investments.
- 125. Unclaimed Trust Fund moneys.
- 126. Former warrants, etc.,
- 127. Continuance of former acts, etc.,
- 128. Transitional Financial Instructions, etc.,
- 129. References to repealed Act.
- 130. Members of the Public Accounts Committee.
- 131. Sectional Committees.
- 132. Continuance of evidence.
- 133. Reports.