Promises, promises: A decade of allocations for and spending on Anti-Corruption in Papua New Guinea

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Introduction

• Much media coverage about anti-corruption efforts in PNG
• However, still much we don’t know about the country’s anti-corruption agencies.
  – The Ombudsman Commission has not publicly released its annual report since 2005!
• The fortunes of anti-corruption agencies are, in part, embedded in allocations and for spending on these agencies
  – Reveals the degree to which governments fulfil their budgetary promises, and put their money where their mouths are
Research Questions

1. How have allocations for and spending on anti-corruption organisations changed over time?

2. How does spending on anti-corruption organisations compare to other law and justice organisations, and for overall government spending?
Mind the gap: spending vs allocations
Ombudsman Commission: budgeted and actual spending in sync until 2015
Fraud squad: large gap between budget and spending

Fraud Squad: Budget vs Actual Spending

<table>
<thead>
<tr>
<th>Year</th>
<th>Budgeted</th>
<th>Actual</th>
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<tbody>
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<td>2008</td>
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<td>2010</td>
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<td>2011</td>
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<td>2012</td>
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<td>2013</td>
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<tr>
<td>2017</td>
<td>1.3</td>
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</tbody>
</table>
FIU: spending half of allocations

FIU: Budgeted vs Actual Spending

Kina

2014 2015 2016 2017

Allocation Actual
Auditor General: gaps since 2015; large decline in allocations in 2017

Auditor General's Office: Budgeted vs Actual Spending

Millions of kina


Budgeted Actual

17.1 16.4
Taskforce Sweep/ICAC: a tale of unfulfilled promises

![Graph showing budgeted vs actual spending]

- **Millions of kina**
- **2008** to **2017**

**Taskforce Sweep/ICAC: Budgeted vs Actual Spending**

- **Budgeted**
- **Actual**
Most funding to Auditor General and Ombudsman Commission

Spending on Five Anti-Corruption Agencies

- Ombudsman Commission
- Fraud and Corruption Actual
- Auditor General
- ITFS/ICAC
- FIU
Total spending less than allocations since 2012

Total Five Anti-Corruption Organisations: Budgeted vs Actual Spending
Comparisons
Spending: budgeted: lower for anti-corruption agencies compare to other areas of government

% of Spending-to-Budget: Total Gov't Budget vs Anti-Corruption Organisations

- Total budget
- Anti-corruption
RPNGC: spending increases set to unravel

RPNGC Budgeted vs Actual; Anti-Corruption Spending

Millions of Kina


RPNGC Budgeted  RPNGC Actual  Anti-corruption actual(solid)/budgeted (dashed)
DJAG: increased spending since 2011

DJAG: Budgeted vs Actual; Anti-Corruption Spending

- Millions of kina
- Budgeted
- Actual
- Anti-corruption actual(solid)/budgeted (dashed)
Conclusions
How have allocations and spending changed over time?

• Fortunes of anti-corruption agencies have varied:
  – funding for Taskforce Sweep dramatically rose and fell within a short period of time,
  – Fraud Squad saw increases.
  – The Ombudsman Commission and the Auditor-General’s Office have seen some gains.

• Overall both allocations and spending on key anti-corruption organizations have declined since 2013

• All agencies have suffered from promised budgetary allocations not materialising,
  – Acute within Taskforce Sweep and the Fraud Squad.
  – Overall, the difference between allocations and spending has been growing since 2012
How do anti-corruption organisations compare to other government spending?

- Funding for key anti-corruption organisations has reduced in importance relative to other areas;
  - reductions in spending are not simply a function of smaller budgets.

- Combined anti-corruption spending is now miniscule compared to two key law and justice organisations: the DJAG and the RPNGC;  
  - (but not always the case with DJAG).
What to do?

• Monitoring of budgetary allocations and spending

• Further advocacy to ensure funding does not continue to fall, especially if/when an ICAC is established
  – Important not to overlook existing anti-corruption agencies in the rush to introduce a new one

• Still more research required about why underspends and overspends occur.
Discussion Paper