



MINISTRY OF INFORMATION AND COMMUNICATIONS TECHNOLOGY

MEDIA STATEMENT

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Acting Minister for ICT Receives NICTA 2019 Audited Financial Statements and KPMG Gap Study Report

I have today officially received the National Information and Communications Technology Authority (NICTA) 2019 Audited Financial Statements, together with the independent KPMG Gap Study Report. The occasion was witnessed by the NICTA Board Chairman and members of the Board, reflecting the importance of these reports to the NICTA's governance and reform agenda.

These reports provide a comprehensive and sobering assessment of NICTA's historical financial management, governance practices, and institutional capacity. The findings raise serious concerns regarding weaknesses in financial controls, procurement processes, asset management, and overall governance arrangements within the Authority.

The Auditor-General's Report issued a Qualified Opinion on NICTA's 2019 financial statements, highlighting material deficiencies in documentation, oversight, and compliance with public finance and governance standards. Key issues identified include land acquisitions, asset verification, receivables management, employee liabilities, and weak internal control systems.

The KPMG Gap Study further confirms that while NICTA has carried out its core regulatory functions, there are significant structural and institutional gaps that must now be urgently addressed. These include governance and policy weaknesses, limited regulatory transparency, financial sustainability risks, gaps in oversight of the Universal Access and Service (UAS) Fund, and workforce capability challenges. Taken together, these reports point to systemic issues that have constrained NICTA's effectiveness as the national ICT regulator.

As Acting Minister, I wish to make it clear that while many of these issues are historical, they cannot be ignored. They must be addressed decisively and without delay.

In this regard, the recent appointment of a new Chief Executive Officer comes with clear and firm expectations. The Government expects the CEO to take full leadership in driving institutional reforms, strengthening governance, restoring financial discipline, and ensuring that all outstanding audit issues are comprehensively resolved. Accountability must be enforced at all levels of the organisation.

The CEO will be held responsible for delivering measurable improvements in governance standards, regulatory performance, and organisational integrity. I also wish to emphasise that the my Ministry is now strengthening accountability with a clear expectation that all agencies heads – NBC, DICT and NICTA must uphold the highest standards of financial management, transparency, and performance.

We are entering a new phase of public sector leadership where results, integrity, and accountability are non-negotiable.

I acknowledge the steps already taken by the current Board and CEO since taking office in late 2025, including the establishment of an Audit Committee, strengthening of internal audit functions, and commissioning of the independent KPMG review to guide reforms.

However, much more remains to be done.

The expectation is now for NICTA to:

- urgently address all outstanding audit findings
- strengthen governance, procurement, and financial management systems
- improve regulatory transparency and stakeholder confidence
- ensure effective oversight and delivery of the UAS Fund
- build institutional capability to support Papua New Guinea's digital transformation agenda

The 2026 Work Program will be a critical vehicle for implementing these reforms. I expect clear timelines, defined accountability, and regular reporting on progress.

The ICT sector is central to Papua New Guinea's economic growth and digital future. It is therefore imperative that NICTA operates with the highest standards of integrity, professionalism, and accountability.

The Government remains committed to supporting NICTA through this reform process, while ensuring that public resources are managed responsibly and that regulatory outcomes serve the best interests of our people.

I will continue to closely monitor progress and will take further action where necessary to ensure that NICTA delivers on its mandate.



Hon. Peter Tsiamalili Jr.

Acting Minister for Information and Communications Technology