

STATUS OF PROJECTS IN EXECUTION – FY06
SOPE
REGION: EAST ASIA AND PACIFIC
COUNTRY: PAPUA NEW GUINEA

Operations Policy and Country Services
SEPTEMBER 19, 2006



Report on the Status of Projects in Execution - FY06
SOPE
Region: East Asia and Pacific
Country: Papua New Guinea

Introduction

The Status of Projects in Execution (SOPE) Report for FY06 provides information on all IBRD/IDA projects that were active on June 30, 2006.

The World Bank has issued a SOPE Report every year as an internal communication to the Board of Executive Directors. In accordance with the Bank's revised disclosure policy, since FY02, the SOPE Report is available to the public.

The report is intended to bridge the gap in information available to the public between the Project Appraisal Document, disclosed after the Bank approves a project, and the Implementation Completion Report, disclosed after the project closes.

In addition to the project progress description, the FY06 SOPE report¹ contains project level comparisons of disbursement estimates and actual disbursements, and a table showing the loan/credit/grant amount and disbursements to date for all active projects.

¹ Notes:

- Amounts for Projects in currencies other than U.S. dollars may not match exactly due to exchange rate fluctuations over the life of the project.
- Disbursement graphs are not included for Development Policy Loans, which provide quick-disbursing external financing to support policy and institutional reforms. For these loans, funds are disbursed in one or more stages (tranches), released when the borrower complies with agreed conditions.
- Projects which are not yet effective may not have a planned disbursement schedule and thus may not include a graph.



Country: Papua New Guinea

Project Name (ID): Road Maintenance and Rehabilitation Project (P004397)

Country: Pap. New Guinea

Board Approval Date : 06/06/2002

Closing Date : 12/31/2006

Loan/Credit/Grant Number : IBRD-71190

Sector(s): Roads and highways (80%), Central government administration (11%), Sub-national government administration (9%)

Theme(s): Infrastructure services for private sector development (P), Rural services and infrastructure (P), Decentralization (P), Participation and civic engagement (S), Small and medium enterprise support (S)

Project Development Objectives:

To (a) restore satisfactory physical condition and safety to parts of national and provincial roads and bridges in six project provinces;(b)strengthen strategic planning and management of road sector assets; (c)strengthen institutional arrangements for road maintenance; (d) increase private sector contracting of maintenance works

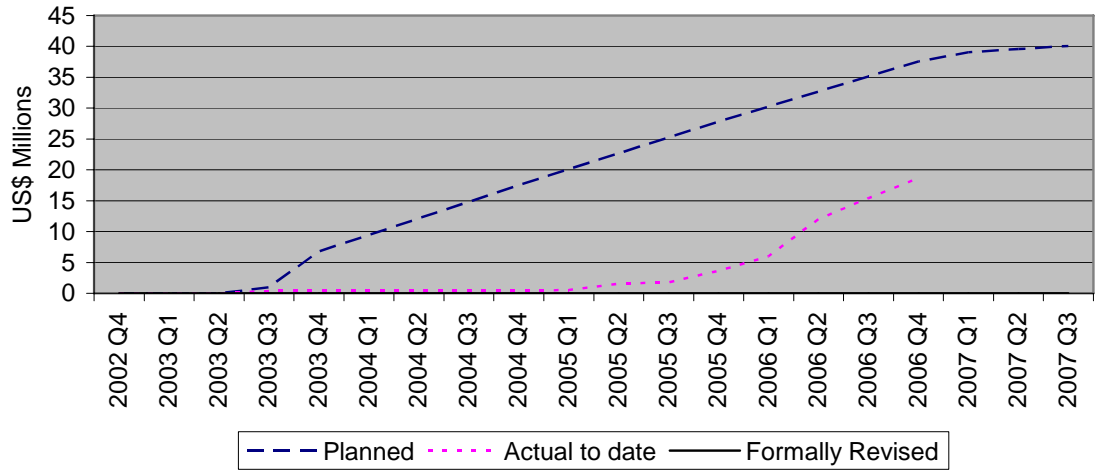
Progress toward achieving development objective(s):

Many of the project output targets are being reached, which will restore national and provincial roads and bridges. The government is taking some positive actions aimed at increasing maintenance investments. Its Sustainable Development Program is expected to provide about Kina 22 million in this fiscal year for national road maintenance projects, and there has also been good progress in improving procurement, financial management, project construction norms and standards, and operation manuals. Strong efforts are also being made to incorporate more rigorous environmental factors in the construction process. Finally, an international consulting firm has been hired to train local contractors to bid for works to help meet objective (d).

Lending Information/Disbursement Summary (USD millions, as of June 30 2006)

| Loan/Credit/ Grant | Status | Amount | Disbursed | Undisbursed | Cancellation |
|-------------------------------|---------------|---------------|------------------|--------------------|---------------------|
| IBRD-71190 | Effective | 40.00 | 18.65 | 21.35 | 0.00 |





Project Name (ID): Second Gazelle Restoration Project (P054238)

Country: Pap. New Guinea

Board Approval Date : 12/09/1999

Closing Date : 06/30/2007

Loan/Credit/Grant Number : IBRD-45250

Sector(s): General transportation (29%), General water, sanitation and flood protection (21%), Other social services (17%), Power (17%), General public administration (16%)

Theme(s): Other social development (P), Access to urban services and housing (P), Infrastructure services for private sector development (P), Natural disaster management (S)

Project Development Objectives:

(a) to upgrade existing facilities and transportation infrastructure to support a shift in the location of settlement and economic activity towards lower risk areas centered on the new provincial capital at Kokopo; (b) to consolidate relocation sites in safe zones for evacuation of displaced communities from devastated and high risk areas; and (c) to restore such infrastructure and services in Rabaul to ensure the effective operation of the port.

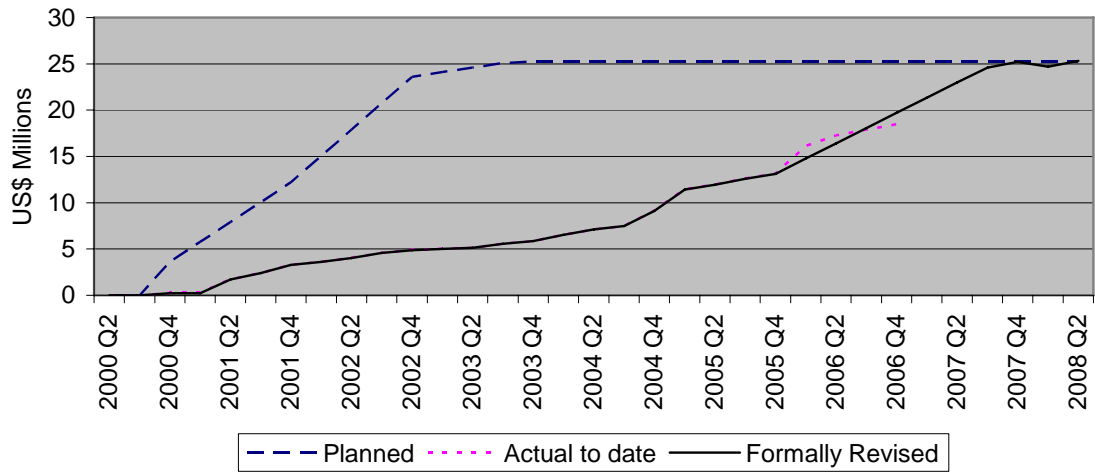
Progress toward achieving development objective(s):

Progress toward achieving the development objectives has been solid. Most of the infrastructure facilities (water, power, roads, schools, and health clinics) are complete or well underway. Relocation sites have been consolidated with access to roads, water, power; subsistence farming opportunities are available. The Port of Rabaul has been dredged and is now functioning at 1993 (pre-eruption)levels. Businesses have been relocated to Kopopo in line with the project's development strategy.

Lending Information/Disbursement Summary (USD millions, as of June 30 2006)

| Loan/Credit/ Grant | Status | Amount | Disbursed | Undisbursed | Cancellation |
|-------------------------------|---------------|---------------|------------------|--------------------|---------------------|
| IBRD-45250 | Effective | 25.26 | 18.49 | 6.77 | 0.00 |





Project Name (ID): PG-GAS DEV TA (P066954)

Country: Pap. New Guinea

Board Approval Date : 06/01/2000

Midterm Review Date : 02/15/2004

Closing Date : 09/30/2006

Loan/Credit/Grant Number : IBRD-70190

Sector(s): Central government administration (73%), Oil and gas (27%)

Theme(s): Regulation and competition policy (P), Export development and competitiveness (S), Other financial and private sector development (S)

Project Development Objectives:

To build the capacity in the government for the efficient management of gas sector development through: a) the strengthening of policy and regulatory framework to promote investment in gas development; b) formulation and analysis of gas development schemes; c) promotion of investment opportunities in gas; and d) enhancing of monitoring and regulation capacity of the Government to ensure optimal gas sector development.

Progress toward achieving development objective(s):

The development objective of strengthening the policy and regulatory framework to promote investment in gas development has substantially been achieved by amendment to law, the definition of additional regulations, and the consummation of a gas agreement for the large-scale development of PNG's gas reserves. The promotion of opportunities for investment in oil and gas exploration has been largely achieved through the introduction of incentive fiscal terms. The project has sought to enhance the Petroleum Division's learning and understanding of all aspects of gas resource development in disciplines ranging from gas processing to social impact mitigation. The Petroleum Division, therefore, has a substantial and knowledgeable professional staff actively monitoring and regulating the industry.

Lending Information/Disbursement Summary (USD millions, as of June 30 2006)

| Loan/Credit/ Grant | Status | Amount | Disbursed | Undisbursed | Cancellation |
|-------------------------------|---------------|---------------|------------------|--------------------|---------------------|
| IBRD-70190 | Effective | 7.00 | 6.79 | 0.21 | 0.00 |



