

STATUS OF PROJECTS IN EXECUTION – FY08

EAST ASIA AND PACIFIC REGION

COUNTRY: PAPUA NEW GUINEA

**Operations Policy and Country Services
October 11, 2008**



Introduction

The Status of Projects in Execution (SOPE) Report for FY08 provides information on all IBRD/IDA projects that were active as of June 30, 2008. For the first time, the SOPE report will include recipient-executed projects (over US\$ 5 million). 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 or Program 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 FY08 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.

¹ Notes:

- Amounts and graphs for loans/credits/grants in currencies other than U.S. dollars may not match exactly due to exchange rate fluctuations over the life of the project.
- Graphs of original estimates for some recipient-executed projects might not exist since they are not required in the project document.
- Disbursement graphs are not included for Development Policy Operations, which provide quick-disbursing financing to support policy and institutional reforms. For these operations, funds are disbursed in one or more stages (tranches), released when the borrower complies with agreed prior actions.
- Projects which are not yet effective may not have a planned disbursement schedule and thus will not include a graph.

Project Name (ID): PG-ROAD MAINT. & REHAB (P004397)

Country: Papua New Guinea

Board Approval Date: 06/06/2002

Closing Date: 12/31/2009

Loan/Credit/Grant Number: IBRD-71190, IDA-42980

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:

The project is 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; and d) increase private sector contracting of maintenance works.

The project was restructured, or received Additional Financing during FY 08

Additional financing in the amount of SDR 24.90 million (US\$37.31 million equivalent) was approved on April 26, 2007 to bridge financing gap as well as funding the scaled-up activities under the project.

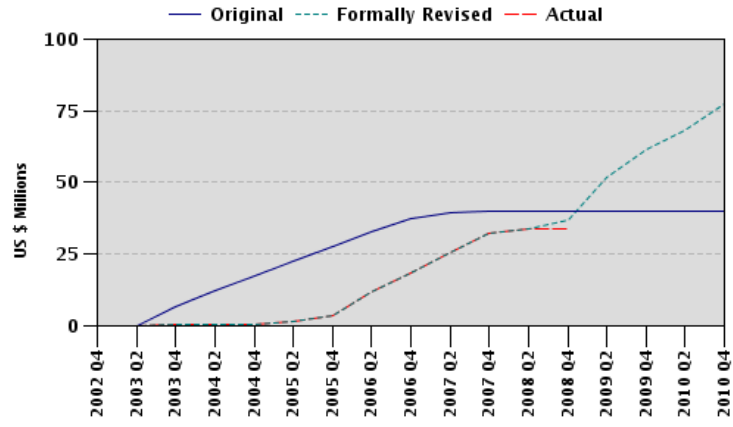
Progress toward achieving development objective(s):

After initial start-up delays, good progress is now being made toward reaching the project's objectives. The project's physical progress has resulted in 63% of national roads and 39% of provincial roads being in fair or better condition, both ahead of targets. The percent of Department of Works expenditures on maintenance is up and the percentage of maintenance expenditures bid competitively has reached 93%. Qualitative indicators show increased market access, higher incomes in villages affected by the project, and positive environmental impacts from road upgrading and resealing. The government is in the process of establishing a national sector maintenance program which will not come on line for two years. It therefore requested the additional financing: (a) to finance about two and a half years' of preservation works; (b) to rehabilitate two road sections which were dropped from this project earlier due to cost increases; and (c) to scale up the bridge and rehabilitation works in the six original provinces and in two new provinces. There has been a good progress towards meeting the project output and objectives financed by the Loan. However some slippage was experienced in finalizing a few contracts with the additional-financing resources. This has slowed overall implementation progress. Outstanding issues are being addressed and the pace of implementation is expected to improve over the next semester.

Lending Information/Disbursement Summary (USD millions, as of June 30, 2008)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-71190	Effective	40.00	33.77	6.23	0.00
IDA-42980	Effective	40.73	0.00	40.73	0.00





Project Name (ID): PNG-Smallholder Agriculture Development (P079140)

Country: Papua New Guinea

Board Approval Date: 12/18/2007

Closing Date: 12/31/2012

Loan/Credit/Grant Number: TF-52416, IDA-43740

Sector(s): Roads and highways (66%), Crops (21%), Agricultural extension and research (8%), Other social services (3%), Sub-national government administration (2%)

Theme(s): Rural services and infrastructure (P), Participation and civic engagement (S)

Project Development Objectives:

To increase, in a sustainable manner, the level of involvement of targeted communities in their local development through measures aimed at increasing oil palm revenue and local participation.

Progress toward achieving development objective(s):

The project had not been declared effective before the close of the reporting period.

Lending Information/Disbursement Summary (USD millions, as of June 30, 2008)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
TF-52416	Closed	0.43	0.43	0.00	0.01
IDA-43740	Not Effective	28.78	0.00	28.78	0.00



Project Name (ID): PG Mining Sector Inst Strengthening TA 2 (P102396)

Country: Papua New Guinea

Board Approval Date: 06/26/2008

Closing Date: 12/31/2013

Loan/Credit/Grant Number: IDA-44910

Sector(s): Central government administration (88%), Sub-national government administration (12%)

Theme(s): Other public sector governance (P), Regulation and competition policy (P), Gender (S), Other environment and natural resources management (S), Tax policy and administration (S)

Project Development Objectives:

The project development objective is to improve the benefits from Extractive Industries (EI) to the national budget and to mining affected communities and to mitigate mining's health and safety risks for artisanal and small scale (ASM) miners.

Progress toward achieving development objective(s):

The project was not effective before the close of the reporting period.

Lending Information/Disbursement Summary (USD millions, as of June 30, 2008)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-44910	Not Effective	16.95	0.00	16.95	0.00