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MAIN PROGRAM: MINING AND MINERAL RESOURCES REGULATION AND ADMINISTRATION

PROGRAM: MINING

Program Objectives:

To promote, facilitate and regulate socially, environmentally, technically, and financially responsible mineral exploration, development and mining in Papua New Guinea.

Program Description:

Issue exploration licenses and mining titles, carry out inspections and check safe mining techniques, provide extension services to artisan miners, monitor and appraise exploration work on prospecting authorities. This program consists of six projects, the expenditure and other data are as follows:

PROJECT LIHIR LIAISON (254-3401-1-201)

A. Expenditure (in Thousands of Kina)

Expenditure Items	Actual	Appropriation	
	2004	2005	2006
112 Wages	2.4		8.0
121 Travel and Subsistence Expenses	25.0		70.0
122 Utilities			8.0
123 Office Materials and Supplies	2.0		10.0
125 Transport and Fuel	10.0		25.0
127 Rental of Property			14.0
128 Routine Maintenance Expenses	4.0		7.0
135 Other Operational Expenses	6.0		80.0
143 Grants and Transfers to Public Authorities	415.0	500.0	500.0
227 Design (DOW)	30.0		500.0
228 Construction, Renovation and Improvement (DOW)	1,000.0	500.0	278.0
TOTAL	1,494.4	1,000.0	1,500.0

B. Other Data in 2006

- 1 Revenue: Project is fully funded by GoPNG.
- 2 Performance Indicators/Targets: The following MOA commitments: (Completion of Stage 3 of Lihir High School, Annual Grants to NDA, Annual Grants to Lihir Medical Center, Maintenance and Upgrading of Lihir Ring Road, Annual Grants to Lihir Resource Centre and number of Commitments outside of Lihir.
- 3 Staffing: The Department of Mining is the implementing agency of this project. The project is being coordinated by Lihir Project Coordinator. There are no full staffing to this project.

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PROJECT RAMU LIAISON PROJECT (254-3401-1-202)

A. Expenditure (in Thousands of Kina)

Expenditure Items	Actual	Appropriation	
	2004	2005	2006
121 Travel and Subsistence Expenses			15.0
122 Utilities			6.0
123 Office Materials and Supplies			10.0
125 Transport and Fuel			10.0
128 Routine Maintenance Expenses			10.0
135 Other Operational Expenses			37.0
143 Grants and Transfers to Public Authorities			200.0
144 Grants to Individuals and Non-Profit Organisations		300.0	
221 Office Furniture and Equipment			12.0
TOTAL		300.0	300.0

B. Other Data in 2006

- 1 Staffing: The project is being coordinated by Department of Mining and the Project Coordinator is responsible for the implementation of this project.
- 2 Revenue: Fully Funded by GoPNG.
- 3 Performance Indicators/Targets: Annual Grants to the four Kurumbu Kari Landowner Association, and Support to the Ramu Liaison activities.

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PROJECT OK TEDI PROJECT (254-3401-1-208)

A. Expenditure (in Thousands of Kina)

Expenditure Items	Actual	Appropriation	
	2004	2005	2006
121 Travel and Subsistence Expenses	20.0		50.0
122 Utilities	1.0		1.0
123 Office Materials and Supplies	1.0		1.0
125 Transport and Fuel	4.0		20.0
128 Routine Maintenance Expenses	149.0		128.0
135 Other Operational Expenses	20.0		20.0
222 Purchase of Vehicles			80.0
TOTAL	195.0		300.0

B. Other Data in 2006

- 1 Revenue: Fully GoPNG Funding
- 2 Staffing: The Department of Mining coordinates the implementation of the project .
- 3 Performance Indicators/Targets: Liaison Activities and support to the Ok Tedi Mine Closure Plan.

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PROJECT MINING SECTOR INSTITUTIONAL STRENGTHENING PROJECT (254-3401-1-211)

A. Expenditure (in Thousands of Kina)

Expenditure Items	Actual	Appropriation	
	2004	2005	2006
121 Travel and Subsistence Expenses	21.4		
123 Office Materials and Supplies	33.4		
124 Operational Materials and Supplies	769.7	300.0	
125 Transport and Fuel	57.6	100.0	
126 Administrative Consultancy Fees	4,697.3	4,000.0	
128 Routine Maintenance Expenses	10.0		
136 Training	784.6	819.0	
221 Office Furniture and Equipment	594.8	781.0	
TOTAL	6,968.7	6,000.0	

B. Other Data in 2006

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PROJECT POGERA/PIAM MOA PROJECTS (254-3401-1-213)

A. Expenditure (in Thousands of Kina)

Expenditure Items	Actual	Appropriation	
	2004	2005	2006
112 Wages			10.0
121 Travel and Subsistence Expenses	14.9		43.4
122 Utilities	0.9		4.0
123 Office Materials and Supplies			6.0
125 Transport and Fuel	2.0		17.0
128 Routine Maintenance Expenses			29.0
135 Other Operational Expenses	4.0		45.0
143 Grants and Transfers to Public Authorities	1,482.1	2,000.0	2,841.6
224 Plant, Equipment and Machinery	1.0		4.0
TOTAL	1,504.9	2,000.0	3,000.0

B. Other Data in 2006

- 1 Revenue: Fully GoPNG Funding.
- 2 Performance Indicators/Targets: (1) Annual Grants to Paiam Hospital operations; (2) Pogera Tari Road construction; (3) Annual Grants to Paiam Management Company; (4) Paiam Community School Maintenance; (5) Paiam Recreation Center, and (5) Paiam Hydro Power Project.
- 3 Footnote: To meet National Government commitments in the Pogera/Paiam MOA.

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PROJECT WAU/HIDDEN VALLEY LIAISON (254-3401-2-201)

A. Expenditure (in Thousands of Kina)

Expenditure Items	Actual	Appropriation	
	2004	2005	2006
121 Travel and Subsistence Expenses			20.0
122 Utilities			6.0
123 Office Materials and Supplies			8.0
124 Operational Materials and Supplies			10.0
125 Transport and Fuel			25.0
128 Routine Maintenance Expenses			10.0
135 Other Operational Expenses			21.0
143 Grants and Transfers to Public Authorities		300.0	200.0
TOTAL		300.0	300.0

B. Other Data in 2006

- 1 Revenue: Fully GoPNG Funding.
- 2 Performance Indicators/Targets: (1) Seed Capital to Land owner Umbrella Company; (2) Grants to Land owner Association; (3) Wau Bulolo Police Station upgrading; and (4) General Liaison activities.
- 3 Footnote: This project will facilitate the payments of National Government commitments in the Hidden Valley MOA.

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PROJECT KAINANTU MOA PROJECT (254-3401-2-202)

A. Expenditure (in Thousands of Kina)

Expenditure Items	Actual	Appropriation	
	2004	2005	2006
121 Travel and Subsistence Expenses			29.0
122 Utilities			5.0
123 Office Materials and Supplies			7.0
124 Operational Materials and Supplies			4.0
125 Transport and Fuel			12.0
127 Rental of Property			15.0
128 Routine Maintenance Expenses			10.0
135 Other Operational Expenses			83.0
143 Grants and Transfers to Public Authorities	260.0	300.0	120.0
221 Office Furniture and Equipment			15.0
TOTAL	260.0	300.0	300.0

B. Other Data in 2006

- 1 Revenue: Project is funded fully by GoPNG.
- 2 Staffing: The project is implemented by the Department of Mining. The project Coordinator from Department of Mining coordinates the implementation of this project.
- 3 Performance Indicators/Targets: (1) Kainantu Police Station; (2) Landowner Mediators Training at Project Site; (3) Establishment of the Community Project Office; and (4) Supporting the quarterly review meetings.

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PROGRAM: GEOLOGICAL SURVEY

Program Objectives:

To identify, document and monitor Papua New Guinea's complex geological environment and provide sound advice to government and the public of potential geological hazards. Provide geological maps and reports on a regular basis.

Program Description:

Conduct geological, hydrogeological mapping and revise geological maps , undertake regional exploration, geochemical and volcanological studies. This program consists of two activities, the expenditure and other data are as follows:

PROJECT RABAU VOLCANOLOGICAL OBSERVATORY TWINNING PROGRAM (254-3401-3-202)

A. Expenditure (in Thousands of Kina)

Expenditure Items	Actual	Appropriation	
	2004	2005	2006
126 Administrative Consultancy Fees			639.9
135 Other Operational Expenses		200.0	
136 Training		822.5	
TOTAL		1,022.5	639.9

B. Other Data in 2006

- 1 Revenue: The project funded through an AusAID Grant of K639,900 through non - cash Item 126.
- 2 Performance Indicators/Targets: The continuous monitoring of volcanological activities by the Rabaul Volcanological Observatory.
- 3 Staffing: The project is being staffed by Department of Mining.

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PROJECT SYSMIN PROJECT (254-3401-3-204)

A. Expenditure (in Thousands of Kina)

Expenditure Items	Actual	Appropriation	
	2004	2005	2006
126 Administrative Consultancy Fees		200.0	37,123.9
135 Other Operational Expenses			200.0
143 Grants and Transfers to Public Authorities		15,000.0	
TOTAL		15,200.0	37,323.9

B. Other Data in 2006

- 1 Revenue: The project is funded through an EU Grant of K37,123,900 through non - cash Item 126, with GoPNG support of K200,000 through Item 135 - K200,000.
- 2 Performance Indicators/Targets: Improved capacity of Department of Mining in conducting geological and hydrological mapping and the management of such data which will contribute to increased exploration activities in the mining industry.
- 3 Staffing: There is only one National Staff had been taken on board the project last year. There are also couple of EU staff attached with the project .
- 4 Footnote: The GoPNG contribution is to meet the cost of the Project Director's position.

