

234 Department of Defence

(in Millions of Kina)

PIP No.	Project Title	5 Year Total	2006	2007	2008	2009	2010
2553	CWP	8.0	2.0	2.0	2.0	2.0	2.0
TOTAL CAPITAL PROJECTS		8.0	2.0	2.0	2.0	2.0	2.0
TOTAL		8.0	2.0	2.0	2.0	2.0	2.0

234 Department of Defence

AGENCY SUMMARY OF ALL PROJECTS

EXPENDITURE PROJECTIONS AND FINANCING REQUIREMENTS (K Millions)

PROJECT COST	2004 Actual	2005	5 Year Total	2006	2007	2008	2009	2010
DIRECT PROJECT COST								
Current Expenditure								
Personal Emoluments								
Goods and Other Services			10.0	2.0	2.0	2.0	2.0	2.0
Current Transfers								
Sub-Total			10.0	2.0	2.0	2.0	2.0	2.0
Capital Expenditure								
Acquisition of Existing Assets								
Capital Formation								
Capital Transfers								
Sub-Total								
A TOT DIRECT PROJECT COST			10.0	2.0	2.0	2.0	2.0	2.0
Technical Assistance								
Project Preparation								
Advisory								
Training								
Equipment								
B TOT TECHNICAL ASSISTANCE								
TOTAL PROJECT COST (A+B)			10.0	2.0	2.0	2.0	2.0	2.0
FINANCING SOURCES								
IDENTIFIED FINANCING								
Direct Project Financing:								
Government Contributions:								
a) Government Input			8.0		2.0	2.0	2.0	2.0
b) Self Generating Revenue								
Loan								
Grant								
C TOTAL DIRECT FINANCING			8.0		2.0	2.0	2.0	2.0
D Technical Assistance								
TOTAL FINANCING (C+D)			8.0		2.0	2.0	2.0	2.0
FINANCING SOUGHT								
Direct Project Cost (A-C)			2.0	2.0				
Technical Assistance (B-D)								
TOTAL FINANCING SOUGHT			2.0	2.0				

PIP NUMBER: 2553

PROJECT NAME: CAPITAL WORKS PROGRAM

EXECUTING AGENCY: Department of Defence

PROJECT OBJECTIVIES:

The main objective of this project is to fund maintenance of defence operational equipment particularly the air wing equipments, land wing equipment and the sea wing equipments. The Government is keen in engaging and utilizing the expertise and equipments available with the PNG Defence Force.

PROJECT STATUS:

As this is a new Government initiative, the actual implementation will occur in 2006.

PROJECT COMPONENTS:

The Program was initiated to complement the existing government initiatives especially the DRIP, Green Revolution and DSIP Programs. The Development of an MOU will begin in early 2005 with the full implementation of the project will follow suit during the mid-year.

PROJECT LOCATION:

The Project will cover the maintenance of machineries and equipments of the PNG Defence Force Air, Sea Wings in Port Moresby and Land Wing in Banz (WHP).

PROJECT JUSTIFICATION:

The Program is important as transportation means is limited and related costs to remote locations of the country is huge. The success of various Government interventions like DRIP, Green Revolution and DSIP depend much on effective and efficient management of transportation and logistic planning and management. Given the Defence Force experience and expertise, their involvement in implementing these Government initiatives is critical.

PROJECT CAPACITY:

The Department of National Planning and Rural Development and the Department of Defence will implement the Program. An MOU will be developed and signed to ensure roles and responsibilities are clearly defined and further to ensure equity to participation to develop and foster a spirit of cooperation and partnership for purposes of long-term sustainability.

PROJECT BENEFICIARIES:

The project is expected to benefit all stakeholders in the various initiatives of the government. It will reduce costs associated with transportation, improve implementation performance and other areas concerned with transportation, logistics management and implementation.

PROJECT SUSTAINABILITY

The Program will be implemented according to set guidelines as set out in the MOU to ensure that issues of ownership and appropriate sustainability measures and initiatives are established so activities are continued and further developed after the project term.

2553 CAPITAL WORKS PROGRAM

ESTIMATED TOTAL PROJECT COST 0.0 ESTIMATED DURATION OF THE PROJECT Years

EXPENDITURE PROJECTION AND FINANCING REQUIREMENTS (K'000)

PROJECT COST	2004 Actual	2005 Budget	5 Year Total	2006	2007	2008	2009	2010
DIRECT PROJECT COST								
Current Expenditure								
Personal Emoluments								
Goods and Other Services			10,000.0	2,000.0	2,000.0	2,000.0	2,000.0	2,000.0
Current Transfers								
Sub-Total			10,000.0	2,000.0	2,000.0	2,000.0	2,000.0	2,000.0
Capital Expenditure								
Acquisition of Existing Assets								
Capital Formation								
Capital Transfers								
Sub-Total								
A TOT DIRECT PROJECT COST			10,000.0	2,000.0	2,000.0	2,000.0	2,000.0	2,000.0
Technical Assistance								
Project Preparation								
Advisory								
Training								
Equipment								
B TOT TECHNICAL ASSISTANCE								
TOTAL PROJECT COST (A+B)			10,000.0	2,000.0	2,000.0	2,000.0	2,000.0	2,000.0
FINANCING SOURCES								
IDENTIFIED FINANCING								
Direct Project Financing:								
Government Contributions:								
a) Government Input			8,000.0		2,000.0	2,000.0	2,000.0	2,000.0
b) Self Generating Revenue								
Loan								
Grant								
C TOTAL DIRECT FINANCING			8,000.0		2,000.0	2,000.0	2,000.0	2,000.0
D Technical Assistance								
TOTAL FINANCING (C+D)			8,000.0		2,000.0	2,000.0	2,000.0	2,000.0
FINANCING SOUGHT								
Direct Project Cost (A-C)			2,000.0	2,000.0				
Technical Assistance (B-D)								
TOTAL FINANCING SOUGHT			2,000.0	2,000.0				

CURRENT DONOR INVOLVEMENT

Nil.

POTENTIAL DONOR INVOLVEMENT

Nil.

2006 Budget Votes for this PIP are :-

23418015209 CAPITAL WORKS PROGRAM