

## 533 Industrial Centers Development Corporation

(in Millions of Kina)

PIP No.	Project Title	5 Year Total	2006	2007	2008	2009	2010
1575	ISLANDS REGIONAL IND	1.5	1.0	.8	.7		
TOTAL CAPITAL PROJECTS		1.5	1.0	.8	.7		
TOTAL		1.5	1.0	.8	.7		

## 533 Industrial Centers Development Corporation

## 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
<b>DIRECT PROJECT COST</b>								
<b>Current Expenditure</b>								
Personal Emoluments								
Goods and Other Services			.3	.1	.1	.1		
Current Transfers								
Sub-Total			.3	.1	.1	.1		
<b>Capital Expenditure</b>								
Acquisition of Existing Assets								
Capital Formation		2.0	2.2	.9	.7	.6		
Capital Transfers								
Sub-Total		2.0	2.2	.9	.7	.6		
<b>A</b> <b>TOT DIRECT PROJECT COST</b>		2.0	2.5	1.0	.8	.7		
<b>Technical Assistance</b>								
Project Preparation								
Advisory								
Training								
Equipment								
<b>B</b> <b>TOT TECHNICAL ASSISTANCE</b>								
<b>TOTAL PROJECT COST (A+B)</b>		2.0	2.5	1.0	.8	.7		
<b>FINANCING SOURCES</b>								
<b>IDENTIFIED FINANCING</b>								
<b>Direct Project Financing:</b>								
<b>Government Contributions:</b>								
a) Government Input		2.0	1.5		.8	.7		
b) Self Generating Revenue								
Loan								
Grant								
<b>C</b> <b>TOTAL DIRECT FINANCING</b>		2.0	1.5		.8	.7		
<b>D</b> <b>Technical Assistance</b>								
<b>TOTAL FINANCING (C+D)</b>		2.0	1.5		.8	.7		
<b>FINANCING SOUGHT</b>								
Direct Project Cost (A-C)			1.0	1.0				
Technical Assistance (B-D)								
<b>TOTAL FINANCING SOUGHT</b>			1.0	1.0				

**PIP NUMBER:** 1575

**PROJECT NAME:** ISLANDS REGIONAL INDUSTRIAL CENTRE

**EXECUTING AGENCY:** Industrial Centers Development Corporation

**PROJECT OBJECTIVIES:**

To assist service small size businesses as part of the restoration effort after the volcanic devastation of Rabaul township. The project is also planned to be one of the industrial centres to be build in the four regions of the country in line with the Government's Industrial Policy. The establishment of the industrial centre will serve as the regional base to promote investment in manufacturing and down stream processing of PNG's primary resources, industrialization and diversification of the islands region economy.

**PROJECT STATUS:**

The project commenced in 1997 and is on-going. Implementation of the project has been slow due to funding constraints over the last four years. However, alot of preliminary civil works has been done. Recently the parameter fencing has been erected which now will pave for the buinesses to move in do their set ups.

**PROJECT COMPONENTS:**

The project has 8 components: (1) Mobilization Costs; (2) Building Design & Documentation; (3) Building Construction; (4) Associated Site Works; (5) Vehicles and Equipment; (6) Project Management; (7) Steel Picket Perimeter Fencing; (8) Contingency on Unloaded Costs.

**PROJECT LOCATION:**

The project is located at Ulaveo in East New Britain Province.

**PROJECT JUSTIFICATION:**

The Project is in line with the Government's Industrial Centre Policy, and the establishment of the Islands Region Industrial Centre will serve as the Regional Base to promote investment in manufacturing and industrialization of PNG's primary resources and also set the phase for the export led growth and development in this country.

**PROJECT CAPACITY:**

The Industrial Centres Development Corporation (ICDC) is the agency charged with implementing the Government's strategy to provide industrial centres in each of the four regions of the country. The implementation of the project has kick-started very successfully. The project failed to proceed with major civil works due to financial constraints. However, in terms of capacity, ICDC is well prepared to implement the project. The success story of Malang Industrial Centre in Lae is an indication of ICDC's capacity to implement project of this nature.

**PROJECT BENEFICIARIES:**

The main beneficiaries would be the small to medium size businesses that were affected by volcanic eruptions. The people of New Britain as well as New Guinea islands would indirectly benefit from the project by way of spin offs and other associated benefits.

**PROJECT SUSTAINABILITY**

The project has huge potential to raise substantial revenue internally in the future and may able to financially sustain itself.

## 1575 ISLANDS REGIONAL INDUSTRIAL CENTRE

ESTIMATED TOTAL PROJECT COST 17,500.0 ESTIMATED DURATION OF THE PROJECT 3.0 Years

## EXPENDITURE PROJECTION AND FINANCING REQUIREMENTS (K'000)

PROJECT COST	2004 Actual	2005 Budget	5 Year Total	2006	2007	2008	2009	2010
<b>DIRECT PROJECT COST</b>								
<b>Current Expenditure</b>								
Personal Emoluments								
Goods and Other Services			300.0	100.0	100.0	100.0		
Current Transfers								
Sub-Total			300.0	100.0	100.0	100.0		
<b>Capital Expenditure</b>								
Acquisition of Existing Assets								
Capital Formation		2,000.0	2,200.0	900.0	700.0	600.0		
Capital Transfers								
Sub-Total		2,000.0	2,200.0	900.0	700.0	600.0		
<b>A TOT DIRECT PROJECT COST</b>		2,000.0	2,500.0	1,000.0	800.0	700.0		
<b>Technical Assistance</b>								
Project Preparation								
Advisory								
Training								
Equipment								
<b>B TOT TECHNICAL ASSISTANCE</b>								
<b>TOTAL PROJECT COST (A+B)</b>		2,000.0	2,500.0	1,000.0	800.0	700.0		
<b>FINANCING SOURCES</b>								
<b>IDENTIFIED FINANCING</b>								
<b>Direct Project Financing:</b>								
<b>Government Contributions:</b>								
a) Government Input		2,000.0	1,500.0		800.0	700.0		
b) Self Generating Revenue								
Loan								
Grant								
<b>C TOTAL DIRECT FINANCING</b>		2,000.0	1,500.0		800.0	700.0		
<b>D Technical Assistance</b>								
<b>TOTAL FINANCING (C+D)</b>		2,000.0	1,500.0		800.0	700.0		
<b>FINANCING SOUGHT</b>								
Direct Project Cost (A-C)			1,000.0	1,000.0				
Technical Assistance (B-D)								
<b>TOTAL FINANCING SOUGHT</b>			1,000.0	1,000.0				

**CURRENT DONOR INVOLVEMENT**

None.

**POTENTIAL DONOR INVOLVEMENT**

NIL.

**2006 Budget Votes for this PIP are :-**

53339021201 ISLANDS REGIONAL INDUSTRIAL CENTRE