

254	DEPARTMENT OF MINING	254
-----	----------------------	-----

Summary of Expenditure by Program Structure (in Thousands of Kina)

	Description	Actual	Appropriation	
		2005	2006	2007
MAIN PROGRAM	MINING AND MINERAL RESOURCES REGULATION AND ADMINISTRATION	11,256.2	43,663.8	34,481.6
PROGRAM	MINING	10,709.8	5,700.0	11,675.0
PROJECT	Lihir Liaison	866.9	1,500.0	2,450.0
PROJECT	Ramu Liaison Project	222.9	300.0	1,000.0
PROJECT	Mining Sector Institutional Strengthenin G Project	7,255.0		
PROJECT	Pogera/Piam Moa Projects	1,900.0	3,000.0	4,000.0
PROJECT	Wau/Hidden Valley Liaison	250.0	300.0	900.0
PROJECT	Kainantu Moa Project	215.0	300.0	300.0
PROJECT	Simberi Moa			300.0
PROJECT	Mt. Sinivit Moa			300.0
PROJECT	Tolukuma Moa			25.0
PROJECT	Misima Mine Closure Plan Moa Project			600.0
PROJECT	Bougainville Mine Liaison			1,500.0
PROJECT	Ok Tedi Project Moa		300.0	300.0
PROGRAM	GEOLOGICAL SURVEY	546.3	37,963.8	22,806.6
PROJECT	Rabaul Volcanological Observatory Twinni Ng Program	346.3	639.9	1,226.0
PROJECT	Sysmin Project	200.0	37,323.9	21,580.6
GRAND TOTAL		11,256.1	43,663.8	34,481.6

Summary of Expenditure by Items (in Thousands of Kina)

Expenditure Items	Actual	Appropriation	
	2005	2006	2007
CURRENT EXPENDITURE	10,488.0	42,774.8	32,264.6
Personal Emoluments	5.0	18.0	100.0
112 Wages	5.0	18.0	100.0
Goods and Other Services	8,026.0	38,895.2	25,299.6
121 Travel and Subsistence Expenses	100.0	227.4	410.0
122 Utilities	13.0	30.0	52.0
123 Office Materials and Supplies	14.0	42.0	60.0
124 Operational Materials and Supplies	328.5	14.0	14.0
125 Transport and Fuel	69.7	109.0	92.0
126 Administrative Consultancy Fees	6,088.8	37,763.8	1,226.0
127 Rental of Property	5.0	29.0	30.0
128 Routine Maintenance Expenses	5.0	194.0	147.0
135 Other Operational Expenses	291.8	486.0	1,688.0
136 Training	1,110.2		
139 Other Donor Category			21,580.6
Current Transfers	2,457.0	3,861.6	6,865.0
143 Grants and Transfers to Public Authorities	2,457.0	3,861.6	5,990.0
144 Grants to Individuals and Non-Profit Organisations			625.0
145 Grants and Subsidies to Public & Departmental Enterprises			250.0
CAPITAL EXPENDITURE	768.1	889.0	2,217.0
Capital Formation	721.1	889.0	2,217.0
221 Office Furniture and Equipment	51.1	27.0	55.0
222 Purchase of Vehicles	120.0	80.0	180.0
224 Plant, Equipment and Machinery		4.0	2.0
227 Design (DOW)	50.0	500.0	100.0
228 Construction, Renovation and Improvement (DOW)	500.0	278.0	1,880.0
Capital Transfers	47.0		
242 Capital Transfers to Government Agencies	47.0		
TOTAL	11,256.1	43,663.8	34,481.6

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	
	2005	2006	2007
112 Wages	3.0	8.0	80.0
121 Travel and Subsistence Expenses	40.0	70.0	70.0
122 Utilities	10.0	8.0	5.0
123 Office Materials and Supplies	10.0	10.0	5.0
125 Transport and Fuel	20.0	25.0	10.0
127 Rental of Property	5.0	14.0	20.0
128 Routine Maintenance Expenses	5.0	7.0	10.0
135 Other Operational Expenses	41.9	80.0	70.0
143 Grants and Transfers to Public Authorities	135.0	500.0	200.0
227 Design (DOW)	50.0	500.0	100.0
228 Construction, Renovation and Improvement (DOW)	500.0	278.0	1,880.0
242 Capital Transfers to Government Agencies	47.0		
TOTAL	866.9	1,500.0	2,450.0

B. Other Data in 2007

- 1 Revenue: Project fully funded by GoPNG.
- 2 Performance Indicators/Targets: The following MOA commitments: Completion 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 a number of Commitments outside of Lihir.

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

A. Expenditure (in Thousands of Kina)

Expenditure Items	Actual	Appropriation	
	2005	2006	2007
121 Travel and Subsistence Expenses	10.0	15.0	20.0
122 Utilities	3.0	6.0	10.0
123 Office Materials and Supplies		10.0	10.0
125 Transport and Fuel		10.0	10.0
128 Routine Maintenance Expenses		10.0	10.0
135 Other Operational Expenses	9.9	37.0	30.0
143 Grants and Transfers to Public Authorities	200.0	200.0	200.0
144 Grants to Individuals and Non-Profit Organisations			500.0
145 Grants and Subsidies to Public & Departmental Enterprises			100.0
221 Office Furniture and Equipment		12.0	10.0
222 Purchase of Vehicles			100.0
TOTAL	222.9	300.0	1,000.0

B. Other Data in 2007

- 1 Revenue: Project fully funded by GoPNG.
- 2 Project Indicators/Targets: Payment of Business Development Grants to the four Landowner Groups and support to the Ramu Liaison activities.

254

DEPARTMENT OF MINING

254

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

A. Expenditure (in Thousands of Kina)

Expenditure Items	Actual	Appropriation	
	2005	2006	2007
124 Operational Materials and Supplies	128.5		
125 Transport and Fuel	22.7		
126 Administrative Consultancy Fees	6,088.8		
136 Training	963.9		
221 Office Furniture and Equipment	51.1		
TOTAL	7,255.0		

B. Other Data in 2007

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

A. Expenditure (in Thousands of Kina)

Expenditure Items	Actual	Appropriation	
	2005	2006	2007
112 Wages	2.0	10.0	10.0
121 Travel and Subsistence Expenses	20.0	43.4	40.0
122 Utilities		4.0	4.0
123 Office Materials and Supplies	4.0	6.0	6.0
125 Transport and Fuel	17.0	17.0	20.0
128 Routine Maintenance Expenses		29.0	30.0
135 Other Operational Expenses	10.0	45.0	40.0
143 Grants and Transfers to Public Authorities	1,847.0	2,841.6	3,760.0
221 Office Furniture and Equipment			10.0
222 Purchase of Vehicles			80.0
224 Plant, Equipment and Machinery		4.0	
TOTAL	1,900.0	3,000.0	4,000.0

B. Other Data in 2007

- 1 Revenue: Project fully funded by GoPNG
- 2 Performance Indicators/Targets: (1) Annual Grants to Paiam Hospital operations; (2) Porgera Tari Road construction; (3) Annual Grants to Paiam Management Company; (3) Paiam Community School Maintenance; (4) Paiam Road Stage 2; and (5) Paiam Township Maintenance.

254

DEPARTMENT OF MINING

254

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

A. Expenditure (in Thousands of Kina)

Expenditure Items	Actual	Appropriation	
	2005	2006	2007
121 Travel and Subsistence Expenses	10.0	20.0	30.0
122 Utilities		6.0	10.0
123 Office Materials and Supplies		8.0	10.0
124 Operational Materials and Supplies		10.0	10.0
125 Transport and Fuel	10.0	25.0	20.0
128 Routine Maintenance Expenses		10.0	10.0
135 Other Operational Expenses	30.0	21.0	48.0
143 Grants and Transfers to Public Authorities	200.0	200.0	500.0
144 Grants to Individuals and Non-Profit Organisations			100.0
145 Grants and Subsidies to Public & Departmental Enterprises			150.0
221 Office Furniture and Equipment			10.0
224 Plant, Equipment and Machinery			2.0
TOTAL	250.0	300.0	900.0

B. Other Data in 2007

- 1 Revenue: Project fully by GoPNG.
- 2 Performance Indicators/Targets: (1) Business Development Grants to Landowner Umbrella Company; (2) Grants to Nukuwi Landowners; (3) Wau Bulolo Police Station upgrading and renovation and (4) General Liaison Activities.

254	DEPARTMENT OF MINING	254
-----	----------------------	-----

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

A. Expenditure (in Thousands of Kina)

Expenditure Items	Actual	Appropriation	
	2005	2006	2007
121 Travel and Subsistence Expenses	20.0	29.0	40.0
122 Utilities		5.0	10.0
123 Office Materials and Supplies		7.0	7.0
124 Operational Materials and Supplies		4.0	4.0
125 Transport and Fuel		12.0	12.0
127 Rental of Property		15.0	10.0
128 Routine Maintenance Expenses		10.0	7.0
135 Other Operational Expenses		83.0	75.0
143 Grants and Transfers to Public Authorities	75.0	120.0	110.0
221 Office Furniture and Equipment		15.0	25.0
222 Purchase of Vehicles	120.0		
TOTAL	215.0	300.0	300.0

B. Other Data in 2007

- 1 Revenue: Fully funded by GoPNG.
- 2 Performance Indicators/Targets: This budgetary allocation will be expended on the MOA commitment for the Upgrading of the Kainantu Police Station with the balance to be used to assist maintain liaison activities.

254

DEPARTMENT OF MINING

254

PROJECT SIMBERI MOA (254-3401-2-203)

A. Expenditure (in Thousands of Kina)

Expenditure Items	Actual	Appropriation	
	2005	2006	2007
121 Travel and Subsistence Expenses			30.0
135 Other Operational Expenses			20.0
143 Grants and Transfers to Public Authorities			250.0
TOTAL			300.0

B. Other Data in 2007

- 1 Revenue: Fully funded by GoPNG.
- 2 Performance Indicators/Targets: Financial assistance to landowners and participation in business spin-offs from the Simberi Gold Project.

254	DEPARTMENT OF MINING	254
-----	----------------------	-----

PROJECT MT. SINIVIT MOA (254-3401-2-204)

A. Expenditure (in Thousands of Kina)

Expenditure Items	Actual	Appropriation	
	2005	2006	2007
121 Travel and Subsistence Expenses			30.0
135 Other Operational Expenses			20.0
143 Grants and Transfers to Public Authorities			250.0
TOTAL			300.0

B. Other Data in 2007

- 1 Revenue: Fully funded by GoPNG.
- 2 Performance Indicators/Targets: Financial assistance to landowners to participate in business spin- offs from the Mt. Sinivit Gold Mine Project.

254	DEPARTMENT OF MINING	254
-----	----------------------	-----

PROJECT TOLUKUMA MOA (254-3401-2-205)

A. Expenditure (in Thousands of Kina)

Expenditure Items	Actual	Appropriation	
	2005	2006	2007
144 Grants to Individuals and Non-Profit Organisations			25.0
TOTAL			25.0

B. Other Data in 2007

- 1 Revenue: Fully funded by GoPNG.
- 2 Performance Indicators/Targets: Payment of the outstanding Business Development Grants to the Landowners.

254

DEPARTMENT OF MINING

254

PROJECT MISIMA MINE CLOSURE PLAN MOA PROJECT (254-3401-2-206)

A. Expenditure (in Thousands of Kina)

Expenditure Items	Actual	Appropriation	
	2005	2006	2007
143 Grants and Transfers to Public Authorities			600.0
TOTAL			600.0

B. Other Data in 2007

- 1 Revenue: Fully funded by GoPNG.
- 2 Performance Indicators/Targets: Completion of the Bwagaoia water supply project.

254

DEPARTMENT OF MINING

254

PROJECT BOUGAINVILLE MINE LIAISON (254-3401-2-207)

A. Expenditure (in Thousands of Kina)

Expenditure Items	Actual	Appropriation	
	2005	2006	2007
112 Wages			10.0
121 Travel and Subsistence Expenses			100.0
122 Utilities			10.0
123 Office Materials and Supplies			20.0
135 Other Operational Expenses			1,360.0
TOTAL			1,500.0

B. Other Data in 2007

- 1 Revenue: Fully funded by GoPNG.
- 2 Performance Indicators/Targets: Establishment of Bougainville Mines Office, liaison support and the transfer of Mining Powers to Bougainville Mines Office and ABG.

PROJECT OK TEDI PROJECT MOA (254-3401-2-208)

A. Expenditure (in Thousands of Kina)

Expenditure Items	Actual	Appropriation	
	2005	2006	2007
121 Travel and Subsistence Expenses		50.0	50.0
122 Utilities		1.0	3.0
123 Office Materials and Supplies		1.0	2.0
125 Transport and Fuel		20.0	20.0
128 Routine Maintenance Expenses		128.0	80.0
135 Other Operational Expenses		20.0	25.0
143 Grants and Transfers to Public Authorities			120.0
222 Purchase of Vehicles		80.0	
TOTAL		300.0	300.0

B. Other Data in 2007

- 1 Revenue: Fully funded by GoPNG.
- 2 Performance Indicators/Targets: Reimbursement costs to OTML for funding of Kiunga Water Supply operations and liaison support to Ok Tedi Mine Closure Plan.

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	
	2005	2006	2007
126 Administrative Consultancy Fees		639.9	1,226.0
135 Other Operational Expenses	200.0		
136 Training	146.3		
TOTAL	346.3	639.9	1,226.0

B. Other Data in 2007

- 1 Revenue: The project is funded through an AUSAID Grant of K1,226,000 through non cash item 126.
- 2 Performance Indicators/Targets: The continuous monitoring of volcanological activities by the Rabaul Volcanological Observatory.

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

A. Expenditure (in Thousands of Kina)

Expenditure Items	Actual	Appropriation	
	2005	2006	2007
124 Operational Materials and Supplies	200.0		
126 Administrative Consultancy Fees		37,123.9	
135 Other Operational Expenses		200.0	
139 Other Donor Category			21,580.6
TOTAL	200.0	37,323.9	21,580.6

B. Other Data in 2007

- 1 Revenue: The project is fully funded under an EU Grant of K21,580,600 through non cash item 139.
- 2 Performance Indicators/Targets: Improved capacity of the Department of Mining to promote increased exploration activities to sustain the country's economic performance in mineral and exports and mitigation of mines environmental impacts.