

## 543 National Development Bank

(in Millions of Kina)

PIP No.	Project Title	5 Year Total	2011	2012	2013	2014	2015
3354	Tourism Credit Facilt	14.0	5.0	4.0	3.0	2.0	
TOTAL CAPACITY BUILDING PROJECTS		14.0	5.0	4.0	3.0	2.0	
3353	Agri Credit Support						
TOTAL CAPITAL PROJECTS							
TOTAL		14.0	5.0	4.0	3.0	2.0	

## 543 National Development Bank

## AGENCY SUMMARY OF ALL PROJECTS

## EXPENDITURE PROJECTIONS AND FINANCING REQUIREMENTS (K Millions)

PROJECT COST		2009 Actual	2010	5 Year Total	2011	2012	2013	2014	2015
DIRECT PROJECT COST									
<b>Current Expenditure</b>									
Personal Emoluments									
Current Transfers				14.0	5.0	4.0	3.0	2.0	
Goods and Other Services									
Sub-Total				14.0	5.0	4.0	3.0	2.0	
<b>Capital Expenditure</b>									
Capital Transfers									
Acquisition of Existing Assets									
Capital Formation									
Sub-Total									
A	TOT DIRECT PROJECT COST			14.0	5.0	4.0	3.0	2.0	
<b>Technical Assistance</b>									
Project Preparation									
Equipment									
Advisory									
Training									
B	TOT TECHNICAL ASSISTANCE								
<b>TOTAL PROJECT COST (A+B)</b>				14.0	5.0	4.0	3.0	2.0	
<b>FINANCING SOURCES</b>									
IDENTIFIED FINANCING									
<b>Direct Project Financing:</b>									
<b>Government Contributions:</b>									
Loan									
Grant									
b) Self Generating Revenue									
a) Government Input				14.0	5.0	4.0	3.0	2.0	
C	TOTAL DIRECT FINANCING			14.0	5.0	4.0	3.0	2.0	
<b>Technical Assistance</b>									
D	<b>TOTAL FINANCING (C+D)</b>			14.0	5.0	4.0	3.0	2.0	
<b>FINANCING SOUGHT</b>									
Direct Project Cost (A-C)									
Technical Assistance (B-D)									
<b>TOTAL FINANCING SOUGHT</b>									

**PIP NUMBER:** 3353

**PROJECT NAME:** AGRICULTURE CREDIT SUPPORT

**EXECUTING AGENCY:** National Development Bank

**PROJECT OBJECTIVIES:**

To provide credit facilities to farmers and to sustain production and improve quality of food and cashcrop production throughout the country inorder to raise the level of agriculture growth rate above the current growth rate of two (2) percent.

**PROJECT COMPONENTS:**

The project component includes the provision of credit for major tree crops development and diversification of other crops; provision of funds for the institutional strengthening of Agriculture Bank through the acquisition of vehicles and; identification of prospective areas for lending.

**PROJECT LOCATION:**

The credit will be facilitated through NDB and monitored by DAL.

**PROJECT JUSTIFICATION:**

There is a need to increase investment in the agriculture sector. Lack of credit availability remains a mJOR issue in the sector. Easy access to credit is a pre-requisite to development of the sector.

**PROJECT CAPACITY:**

The project imposed the need for the NDB to increase its staff capacity and capability to implement the project productively and efficiently.

**PROJECT BENEFICIARIES:**

Smallholders of food crops and tree crops will benefit from this credit facility throughout the country.

**PROJECT SUSTAINABILITY**

The credit facility is planned to be a revolving fund administered by the Rural Development Bank on behalf on DAL. Interest earned on the principle of the fund be used ultimately as a revolving fund for sustaining the fund capability and capacity to encounter future demand.

**3353 AGRICULTURE CREDIT SUPPORT**

ESTIMATED TOTAL PROJECT COST 100,000.0 ESTIMATED DURATION OF THE PROJECT 4.0 Years

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

PROJECT COST		2009 Actual	2010 Bugdet	5 Year Total	2011	2012	2013	2014	2015
<b>DIRECT PROJECT COST</b>									
<b>Current Expenditure</b>									
Personal Emoluments									
Goods and Other Services									
Current Transfers									
Sub-Total									
<b>Capital Expenditure</b>									
Acquisition of Existing Assets									
Capital Formation									
Capital Transfers									
Sub-Total									
A	TOT DIRECT PROJECT COST								
<b>Technical Assistance</b>									
Project Preparation									
Advisory									
Training									
Equipment									
B	TOT TECHNICAL ASSISTANCE								
<b>TOTAL PROJECT COST (A+B)</b>									
<b>FINANCING SOURCES</b>									
<b>IDENTIFIED FINANCING</b>									
<b>Direct Project Financing:</b>									
<b>Government Contributions:</b>									
a) Government Input									
b) Self Generating Revenue									
Loan									
Grant									
C	TOTAL DIRECT FINANCING								
<b>Technical Assistance</b>									
D	<b>TOTAL FINANCING (C+D)</b>								
<b>FINANCING SOUGHT</b>									
Direct Project Cost (A-C)									
Technical Assistance (B-D)									
<b>TOTAL FINANCING SOUGHT</b>									

CURRENT DONOR INVOLVEMENT

POTENTIAL DONOR INVOLVEMENT

2011 Budget Votes for this PIP are :-

54331013202 NATIONAL AGRICULTURE DEVELOPMENT PLAN

**PIP NUMBER:** 3354

**PROJECT NAME:** TOURISM CREDIT FACILITY

**EXECUTING AGENCY:** National Development Bank

**PROJECT OBJECTIVIES:**

Is to establish a Loan Facility with the assistance from the NDB to assist Papua New Guineans who venture into the Tourism Industry. That is by way of providing incentives to Papua New Guineans who are faced with stringent lending policies of commercial banks and empowering rural people who have the resources but lack initial start- up capital.

**PROJECT STATUS:**

The Tourism SME Loan Facility is established with NDB and had a complete review of lending terms and conditions in place. In 2009 only 13 applicants were received, the Technical Evaluation Committee met and approved 6 projects for funding. In 2010, a good number of applications were received and only 7 have been approved and accessed funding.

**PROJECT COMPONENTS:**

The project intends to provide incentives for nationals to venture in- to tourism industry by assisting them, who are faced with stringent lending policies of commercial banks that do not cater for SME businesses and empower rural initial capital to start up viable tourism businesses.

**PROJECT LOCATION:**

The project will be coordinated by the PNGTPA, in Port Moresby, NCD. The loan facility in terms of fund management will be managed by NDB. However, the tourism projects will be implemented nationwide.

**PROJECT JUSTIFICATION:**

The loan facility is a fundamental tool in the promotion and development of tourism industry. The project aims to provide incentives for nationals especially the rural people to venture into tourism development.

**PROJECT CAPACITY:**

The PNGTPA in collaboration with the National Development Bank has the capacity to successfully implement the project.

**PROJECT SUSTAINABILITY**

The lending facility will be sustainable over time and will be maintained as a portfolio of its own under the National Development Bank. And, thus those small scale tourism projects assisted upon generating their own income will be able to sustain themselves.

**3354 TOURISM CREDIT FACILITY**

ESTIMATED TOTAL PROJECT COST 60,000.0 ESTIMATED DURATION OF THE PROJECT 2.0 Years

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

PROJECT COST		2009 Actual	2010 Bugdet	5 Year Total	2011	2012	2013	2014	2015
<b>DIRECT PROJECT COST</b>									
<b>Current Expenditure</b>									
Personal Emoluments									
Goods and Other Services									
Current Transfers				14,000.0	5,000.0	4,000.0	3,000.0	2,000.0	
Sub-Total				14,000.0	5,000.0	4,000.0	3,000.0	2,000.0	
<b>Capital Expenditure</b>									
Acquisition of Existing Assets									
Capital Formation									
Capital Transfers									
Sub-Total									
A	TOT DIRECT PROJECT COST			14,000.0	5,000.0	4,000.0	3,000.0	2,000.0	
<b>Technical Assistance</b>									
Project Preparation									
Advisory									
Training									
Equipment									
B	TOT TECHNICAL ASSISTANCE								
<b>TOTAL PROJECT COST (A+B)</b>				14,000.0	5,000.0	4,000.0	3,000.0	2,000.0	
<b>FINANCING SOURCES</b>									
<b>IDENTIFIED FINANCING</b>									
<b>Direct Project Financing:</b>									
<b>Government Contributions:</b>									
a) Government Input				14,000.0	5,000.0	4,000.0	3,000.0	2,000.0	
b) Self Generating Revenue									
Loan									
Grant									
C	TOTAL DIRECT FINANCING			14,000.0	5,000.0	4,000.0	3,000.0	2,000.0	
<b>Technical Assistance</b>									
D	<b>TOTAL FINANCING (C+D)</b>			14,000.0	5,000.0	4,000.0	3,000.0	2,000.0	
<b>FINANCING SOUGHT</b>									
Direct Project Cost (A-C)									
Technical Assistance (B-D)									
<b>TOTAL FINANCING SOUGHT</b>									

**CURRENT DONOR INVOLVEMENT**

Currently, there is no donor involve, project is fully funded by the National Government.

**POTENTIAL DONOR INVOLVEMENT**

Currently, there is no potential donor involve, the project is fully GoPNG funded.

**2011 Budget Votes for this PIP are :-**

54339042202 TOURISM CREDIT FACILITY