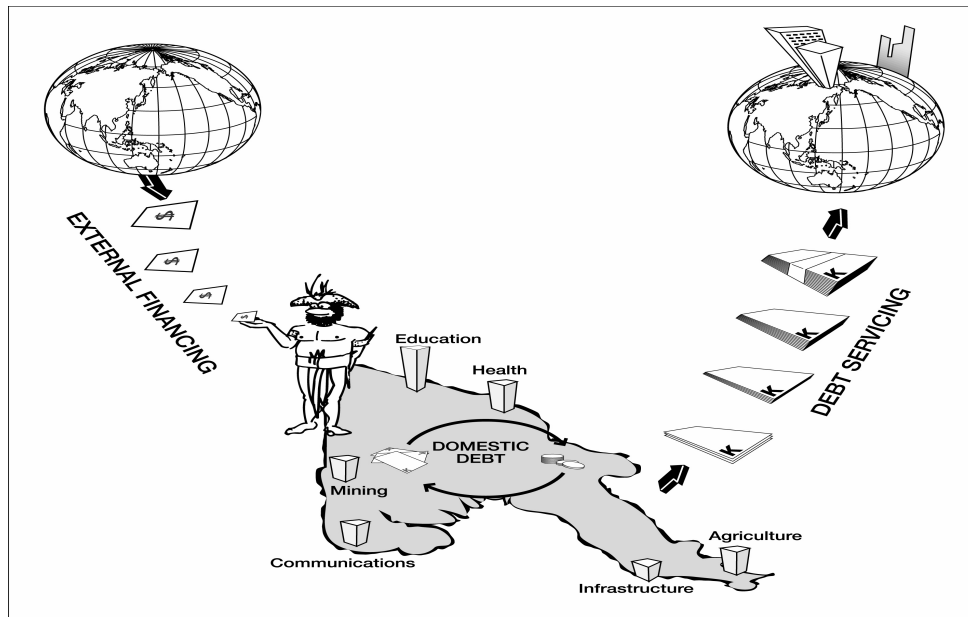




PUBLIC DEBT BULLETIN

2002



Financial Evaluation Division
Department of Treasury
Vulupindi Haus
Waigani

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Definition of Debt

The term "debt" in this publication will be understood to mean a current liability, created under a contractual arrangement through the provision of value in the form of assets (including currency) or services, and which requires the debtor to make one or more payments in the form of assets (including currency) or services, at some future point(s) in time; these payments will discharge the principal and/or interest liabilities incurred under the contract.

Debts can take a number of forms, the primary ones being as follows: (i) loans, i.e., advances of money to obligor by the lender made on the basis of an undertaking that the obligor will repay the funds in the future (including deposits, bonds, debentures, commercial loans and buyers' credits) and temporary exchanges of assets that are equivalent to fully collateralized loans under which the obligor is required to repay the funds, and usually pay interest, by repurchasing the collateral from the buyer in the future (such as repurchase agreements and official swap arrangements); (ii) suppliers' credits, i.e., contracts where the supplier permits the obligor to defer payments until some time after the date on which the goods are delivered or services are provided; and (iii) leases, i.e., arrangements under which property is provided which the lessee has the right to use for one or more specified period(s) of time that are usually shorter than the total expected service life of the property, while the lesser retains the title to the property.

Under the definition of debt set out above, arrears, penalties, and judicially awarded damages arising from the failure to make payment under a contractual obligation that constitutes debt are debt.

This publication does not report on grants-in-aid.

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List of Abbreviations

ADB	Asian Development Bank
ALM	Asset & Liability Management
AUD	Australian Dollar
BPNG	Bank of Papua New Guinea
CIRR	Commercial Interest Reference Rates
CPI	Consumer Price Index
CS-DRMS	Commonwealth Secretariat Debt Recording and Management System
CUB	Committed Undisbursed Balance
DFI	Development Finance International of United Kingdom
DOD	Disbursed and Outstanding Debt
DOT	Department of Treasury
ERI	Effective Rate of Interest
EXP	Exports of Non-Factor Goods and Services
FED	Financial Evaluation Division
GDP	Gross Domestic Products
IBRD	International Bank for Reconstruction and Development
IDA	International Development Association of the World Bank
IFAD	International Fund for Agricultural Development
JPY	Japanese Yen
NPV	Net Present Value
OPEC	Organization of Petroleum Exporting Countries
PGK	Papua New Guinea Kina
SA	Statistical Annex
TB	Treasury Bills
TDMC	Technical Debt Management Committee
UK	United Kingdom
USD	United States Dollar
VAR	Value at Risk
WPA	Waigani Public Accounts

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The average terms of new commitment for all creditors in the year 2002 were:

- interest rate of 2.5 %
- maturity profile of 22 years
- grace period of 6 years, and
- grant Element of 23 %

i. Introduction

Effective public debt management is now a major priority for the Government of Papua New Guinea. The importance of prudent debt management could not be overemphasized with total debt outstanding growing to over eight billion kina by end December 2002. The Government notes that this rapid increase in the debt stock is not only due to widening exchange rate differentials between the kina and major currencies in the debt portfolio, but also to the weak structure and legal basis for public sector borrowings. As a consequence, the Government has also experienced sharp increases in the volume of non-direct debt and 'other' sovereign liabilities. Furthermore, the absence of a sound debt management framework means that key agencies involved in debt management find it increasingly difficult to coordinate and function, thereby worsening the environment within which debt should be managed.

Against this background, the Government is moving to institute a sounder macroeconomic policy framework, coupled with a robust structural reform program to support the Government's stated objectives of poverty reduction, export driven economy, improving debt management, reducing the cost of borrowing and developing the local capacity to manage sovereign liability within a sound economic environment. To this end, the

Government has indicated, that a reduction in the public debt to gross domestic product (GDP) ratio is a key medium term fiscal policy objective. The Government considers the current level of public debt of K8.7 billion, of which K5.8 billion (70 percent) is external and the other K2.5 billion (30 percent) is domestic, as significantly high, and is concerned that essential social spending and opportunities for investing in income generating and employment creation ventures are being forfeited to service debt. In order to bring the rising debt levels under control, one of the stated objectives of the Government is to reduce the debt to GDP ratio from current rates of 80 percent to 55 percent by 2007, through a combination of a strong fiscal consolidation program, sustained economic growth and low but positive real interest rates.

ii. Overview

This is the third edition of the annual public debt bulletin of the Government of Papua New Guinea, produced by the Financial Evaluation Division (FED) of the Department of Treasury (DOT). This report covers both the external and domestic debt sectors and reviews the status of government on-lent loans.

The bulletin not only aims to provide the end user with information on the debt sector, but also discusses policy issues in line with internationally accepted standards. The publication will provide a statistical and analytical base for policy formulation and design, in order to ensure that debt management remains an integral part of the macroeconomic framework in Papua New Guinea. This initiative continues to be supported by the Commonwealth Secretariat, which has been providing debt management assistance to the Government of Papua New Guinea since the 1980's.

A sister publication called the "Public Debt Trends" is published quarterly by the Division, in order to examine quarterly debt stocks and flows within the public sector.

Computerized data on public and publicly guaranteed external and domestic debt and Government on-lent loans, is maintained in FED using the Commonwealth Secretariat Debt Recording and Management System (CS-DRMS). The Bank of Papua New Guinea (BPNG) maintains data on private sector non-guaranteed debt, using the same debt recording system.

The DOT is now working on recording data on contingent liabilities, grant-in-aid, court orders, arrears of government departments and statutory bodies and other 'messy debt' in CS-DRMS. Accurate records on contingencies and other categories would aid the Government in its efforts to ascertain the quasi-fiscal deficit. The idea is to establish a central repository to capture and maintain data on all forms of government debt.

This publication describes in successive sections: progress made on implementing the framework for managing Papua New Guinea's sovereign debt, the size and composition of government debt stock, a review of key debt indicators such as the fiscal criteria, the revenue threshold, the relationship between the primary deficit, debt to GDP ratio, annual growth rate and the real rate of interest¹, the structure of the debt profile, and moves towards transparency in debt management and reporting.

The bulletin is divided into six sections. Section I will review Papua New Guinea's economic performance by the end of 2002, and would give an indication on the size and signs of key debt indicators. Section II examines the debt profile, specifically analyzing debt by creditor, debt by economic sector and debt by use of funds. Section III will examine debt flows; highlighting levels of debt servicing during the review period, identifying any bunching of debt servicing and clogging of maturities. This section would also provide data on net flows and transfers over the past five years. Section IV will analyse the maturity structure of debt, from various perspectives, including original maturity and remaining years to maturity. The section will also review the currency composition, interest rate structure and level of commercial borrowings during the year under review. Section V will discuss options for debt management in Papua New Guinea and section VI will be the recommendations.

¹ If the real interest rate exceeds the real growth rate, rising interest payments will cause the debt to GDP ratio to rise and if the primary deficit is zero, the requirement to maintain a stable debt/GDP ratio, is that nominal GDP growth rate be greater than the nominal interest rate. If the prevailing growth rate is negative ($g-r < 0$), and there is no matched reduction in the deficit then the Debt/GDP ratio is likely to rise. This has been the case in PNG between 1995 – 2002.

Section I

"The sovereign debt management strategy resulting from a strong Asset Liability Management framework in Papua New Guinea should be backed by strong operational bases with respect to organizational structure, legal framework, trained staff, and computerized management information systems."

Walton Gilpin - CS-DRMS Regional Adviser

i. Why Public Debt Management in PNG

Public debt management is the process of establishing and implementing a strategy for prudently managing the Government's debt in order to achieve the Government's risk and cost objectives and any other sovereign debt management goals the Government may have set². The main objective of the sovereign debt manager is typically set to manage the risks incorporated in the debt portfolio taking due account of the trade-offs between cost and risk. For many countries including Papua New Guinea, the objectives are broader, including fostering the development of the domestic debt markets. Sovereign debt management addresses the structure and composition of the sovereign debt portfolio, including the desired mix in terms of currency, interest rate and amortization profile. The desirable or sustainable level of debt is usually addressed by fiscal policy.

ii. Public Debt Management in an Asset and Liability Management Framework (ALM)

Public debt management requires a framework for identifying and quantifying risks. The sovereign balance sheet approach takes into account both the sovereign's assets and liabilities, allowing the government to maximize the potential for natural hedges and provides the basis for evaluating risk/cost trade-offs

in an integrated fashion. The most orthodox ALM solution for a sovereign is to match local currency, long-duration cash flows, with local currency, long-duration debt. The Papua New Guinea government, however, is constrained from immunizing the debt portfolio. The primary reason being the underdevelopment of the domestic debt market. The Government is therefore forced to make such choices as issuing long-term foreign currency debt and short-term domestic currency debt. Risk analysis of different types of debt portfolios given the government's risk tolerance must be carried out by the DOT. The decisions for a particular debt portfolio should then be translated into an explicit strategy, usually with a medium-term horizon. The sovereign debt management strategy resulting from the ALM framework should be backed by strong operational bases with respect to organizational structure, legal framework, trained staff, and management information systems - in our case, the Commonwealth Secretariat Debt Recording and Management System³.

iii. Economic Background for 2002

Data from the Bank of Papua New Guinea (BPNG)⁴ indicates that economic activity remained depressed in 2002, following a decline in real Gross Domestic Product (GDP) of 3.4 percent in 2001. This was attributed to subdued activity in both the mineral and non-mineral sectors. In the mineral sector, the decline was due to lower production of gold, copper and crude oil, while in the agriculture/fisheries/forestry sector, there were some improvements following a decline in 2001, and was due to higher export volumes of coffee, copra oil, logs and marine exports. During the year under review, the Central Bank tightened monetary policy to counteract the

² The World Bank Resources Center - Public Debt Management Group.

³ This issue is further discussed in section V.

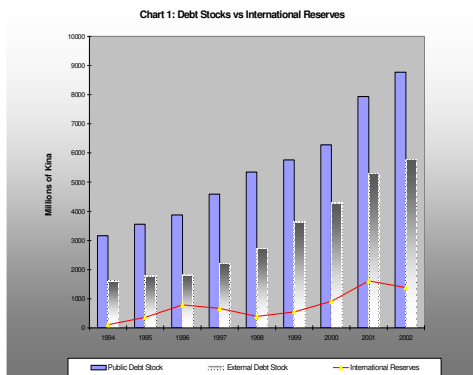
⁴ Bank of Papua New Guinea, Quarterly Economic Bulletin: December 2002 Issue Vol. XXX No 4.

weakening of the Kina and continued upward pressure on inflation.

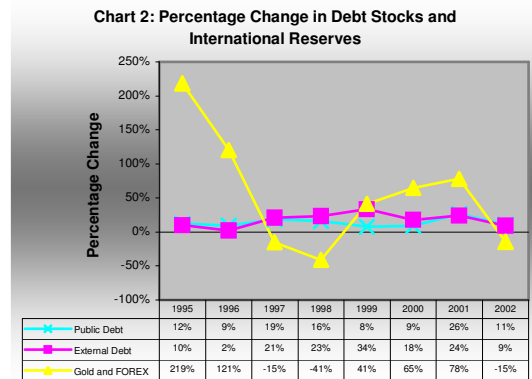
Annual headline inflation as measured by the Consumer Price Index (CPI) was 14.8 percent in 2002, compared to 10.3 percent in 2001. The year-on-year headline inflation rate was 11.8 percent, compared to 9.3 percent in 2001. Also in 2002, the average Kina exchange rate weakened against all major currencies, depreciating against the US dollar by 13.5 percent, Sterling by 17.0 percent, Euro by 17.6 percent, Yen by 10.6 percent and Australian dollar by 17.5 percent.

In 2002, there was an overall deficit of K239 million in the balance of payments, compared to a surplus of K708 million in 2001. The deficit resulted from deterioration in the current account. The depreciation of the kina against the currencies of Papua New Guinea's major trading partners resulted in an increase in the kina value of all balance of payments transactions.

The level of gross foreign exchange reserves at the end of December 2002 was K1,378 million, a decline of K214 million from the 2001 level. It is interesting to note that whilst the foreign exchange reserve level dropped by 17 percent, external debt stock rose by 9 percent during the same period (see chart 1).



To this end, future government borrowings should be considered within an established and authorized government-borrowing framework, in order to turnaround the northward movements of the debt stock in the face of downward trends in international reserves.



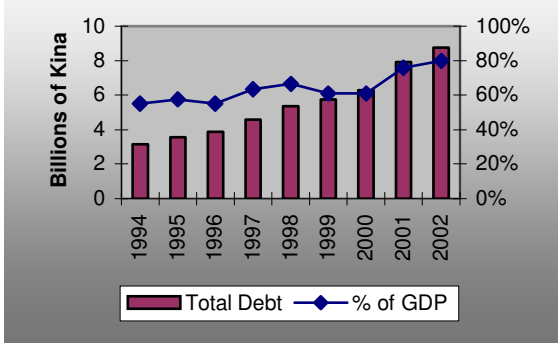
Section II

A. Review of the Debt Stock and Indicators

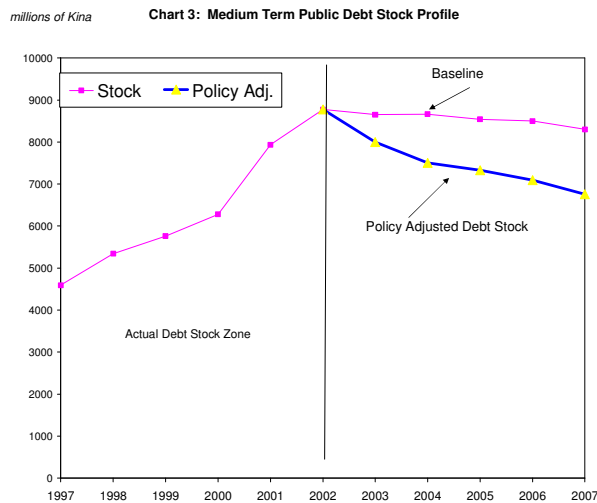
Papua New Guinea's total disbursed and outstanding public and publicly guaranteed debt (DOD) stood at K8,697.3 million by end December 2002. This reflects a 9 percent increase in the total debt stock (**external and domestic**) when compared with the level of K7,945 million⁵ at end December 2001. Total debt stock stood at 80 percent of GDP by end December 2002, representing an increase of 18 percentile points from end 2001 levels. The debt to GDP ratio is a key indicator of the debt burden and the government's relative ability to finance its debt servicing requirements. Increasing level of the Debt/GDP ratio is a flag raiser indicating that GDP is either decreasing and/or the Government needs to seek alternative non-debt creating sources of finance for gap filling purposes.

⁵ This figure has been revised from the level published in the 2001 Debt Bulletin due to revisions to the domestic debt data.

Chart 3: Public Debt Outstanding / as a percentage of GDP

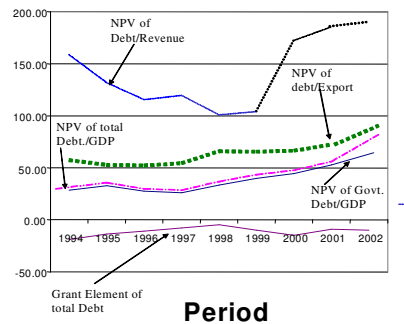


The medium-term policy objective of the Government is to reduce the debt to GDP ratio to 55 percent by the year 2007 (See chart 4). To this end, the Government aims to ensure that economic growth exceeds real interest rates (nominal interest rate less inflation), as well as population growth. The desired economic growth must however be preceded by fiscal stabilization policies, geared towards ensuring macroeconomic stability, with stable exchange rate, lower inflation, lower interest rates, increased investment and production.



Data on the external debt to export ratio (openness criteria⁶) worsened to a level of 95 percent by end December 2002. The fiscal window criteria (NPV of total debt to revenue⁷) stood at 231 percent, rising marginally from a level of 223 percent at end December 2001. Such levels indicate that revenue earned is insufficient to service the current levels of debt, at this point in time. This ratio is however expected to decline to below 200 percent by 2007. The revenue threshold (revenue/GDP ratio) remained relatively constant reaching a level of 25 percent by end 2002, compared with a level of 24 percent at the same time in the previous year. This ratio is expected to drop to approximately 17 percent by end 2007, suggesting a tightening of the revenue threshold.

Chart 5: Key External Debt Ratios 1994 - 2002

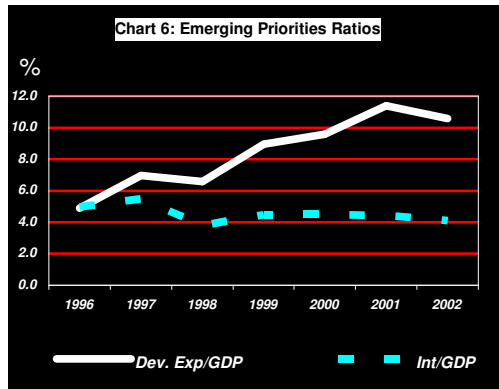


The external debt service to export ratio, which measures the ability of the economy to generate foreign exchange to service foreign debts and interest charges, recorded a level of 9 percent, two percentile points above the level of 7 percent recorded at end 2001. This increase is as a result of a slowdown in exports and higher debt service payments during 2002. The interest to GDP ratio remained at 5 percent and is projected to remain between 4

⁶ Measures the level of indebtedness relative to the country's ability to repay through her export earnings.

⁷ This criteria measures the ability of a country to service debt through internal revenue earnings – and could also indicate the number of years of revenue required to repay the entire debt stock.

to 5 percent till 2007. This ratio remained lower than the development expenditure to GDP ratio, which stood at 9 percent by end 2002, indicating that there may still be room to fund emerging priorities after debt servicing in 2002. Chart 6 depicts the differences between the development expenditure and interest to GDP ratios.



i. Domestic Debt Indicators

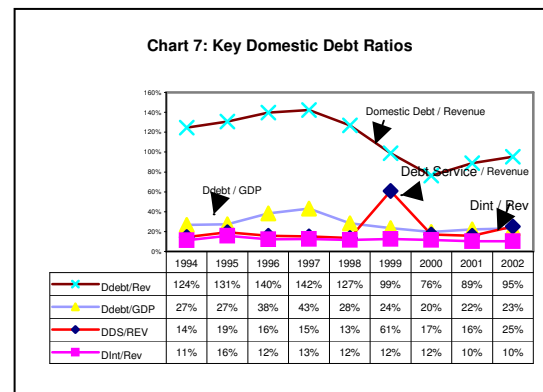
Although there are no international agreed benchmarks for domestic debt indicators, the Financial Evaluation Division has computed several domestic debt indicators and in line with work done by Development Finance International (DFI) in the United Kingdom. DFI established threshold ranges for the following indicators in order to establish the levels of sustainability of domestic debt stock:

Table A: Domestic Debt Ratios	Threshold ⁸
Debt Service /Revenue	28 - 63
Interest / Revenue	4.6 - 6.8
Debt / GDP	20 - 25
Debt / Revenue	92 - 167

The domestic debt to revenue ratio stood at 25 percent by end December 2002, rising by 9 percentile points from a level of 16 percent at end 2001. This increase is a point of concern and a continuation in this direction would lead

⁸ Any level below the lower margin of the threshold is desirable for Papua New Guinea

to a Ponzi Scheme whereby PNG would be locked in a vicious cycle of borrowing to pay off her domestic interest charges. The interest to revenue ratio remained at 10 percent at end 2002, almost the same level when compared with the end 2001. This level is above the threshold range and is an indication that the volume of interest payments is gradually crowding out internal revenue. A review of the domestic debt to GDP indicates that the ratio stood at 23 percent at end 2002, almost reaching the top end of the threshold (critical) range, whilst the domestic debt to revenue ratio, stood at 95 percent at the same period (see chart 7).



ii. On-Lent Loans

It is important for the Government to review its on-lending procedures, in order to tap into the benefits of such arrangements, whilst avoiding the unpleasantness of defaults from Statutory Agencies or Provincial Governments. The Government is aware that statutory bodies could not meet all infrastructure-financing requirements, and has therefore been providing on-lent funds to State Owned Enterprises to facilitate developmental projects and the extension of services throughout the country. The issue of non-repayment of on-lent⁹ loans is now a major

⁹ Government's lending/on-lending is defined as funds lent/on-lent by Government to other entities for which payment is to be made at a future date. In some instances, the Government takes up the exchange rate risk as a way of protecting the domestic entity.

area of concern for the Government of Papua New Guinea, as a number of entities have struggled to repay on-lent funds. To this end, the Government is working on establishing strict guidelines and standards to govern future on-lending. Section VI will discuss recommendations for strengthening the collateral and financial discipline required from entities before such funds be disbursed as on-lent loans.

Table B below is an indication of on-lent and direct loans disbursed and outstanding to the Government by entity¹⁰, and indicates that by end 2002 K486 million was disbursed and outstanding on Government advances to domestic entities, of which K380 million or 78 percent was in respect of Government on-lent funds.

The Government has entered into dialogue with borrowers to work out a way of settling outstanding on-lent debts.

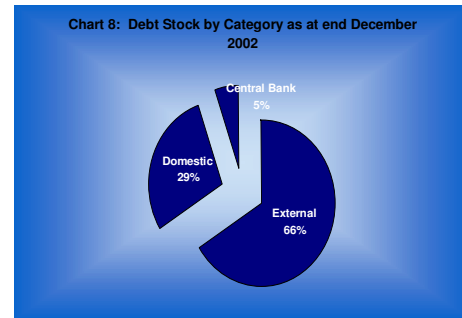
Table B	
Governments Advances to Domestic Entities	
Entity	Kina Millions
On-Lent Loans	
Agriculture Bank	86.62
PNG Power	226.04
PNG Harbours Board	37.82
TELIKOM	29.52
<i>Total On-Lent Loans</i>	<i>380.00</i>
Direct Government Loans	6.80
Provincial Governments	8.84
National Investors Scheme Loans	90.62
Other Loans	
<i>Total Direct Lending</i>	<i>106.26</i>
Total amounts owed to the Government	486.26

B. Review of the Debt Stock

As already mentioned in part A of this section, Papua New Guinea's disbursed and outstanding public debt stood at K8,697.3 million at end

December, 2002 reflecting a 9 percent increase in the kina value of the debt stock. However, given the existing portfolio and exchange rates, the debt stock is expected to drop slightly by 4 percent to K8,315.5 million by end December 2003. This stock of debt represents a significant portion of GDP, peaking to over 80 percent by the end of the year.

By year end 2002, K5,745 million or 66 percent of the debt stock was in respect of external debt, whilst K2,494 or 29 percent and K458 or 5 percent were in respect of domestic debt and Central Bank liabilities respectively. (See Chart 8 below).



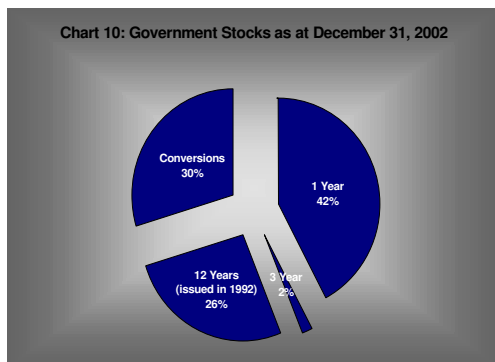
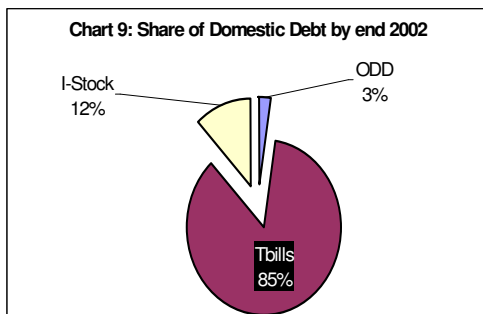
The end December external debt stock of K5,745 comprised of K3,381 million or 59 percent in respect of multilateral creditors, K2,173 million or 38 percent for bilateral debts and K195 million or 3 percent representing borrowings from commercial entities.

In the domestic debt category, Treasury Bills accounted for K2,169 million or 85 percent of the debt stock, with Inscribed Stocks and Standard domestic loans accounting for 12 and 3 percent respectively. This indicates an aversion for longer maturing instruments, possibly due to real erosions in the interest rates over time. Chart 9 depicts the share of domestic debt as at end December 2002, and only 2 percent of domestic debt was held in

¹⁰ Waigani Public Accounts – Statement H

instruments with a maturity of three years (see Charts 9 and 10 below).

Domestic debt stock grew by 16 percent between end 2001 and 2002, with a significant increase of 24 percent in the Treasury Bills category. The Financial Evaluation Division also observed the appetite for short-term debt in the inscribed stocks category with 42 percent of stock held in one year instruments by end December 2002.



C. Debt by Creditor Sources¹¹

i. Multilateral Creditors

As mentioned in the previous section, debt due to multilateral creditors made up almost 60 percent of the external debt stock. Debts owned to the Asian Development Bank and the World Bank Group, accounted for 93 percent of multilateral debts, with a share of 50 and 43 percent respectively. Although loans from the World Bank have a lower average grant element than credits from the Asian

¹¹ See Table 1 on PNG Debt Outstanding in Statistical Annex

Development Bank, the ADB remains the larger lender to PNG. Credits from the European Union, European Investment Bank and International Fund for Agricultural Development, make up 7 percent of debts owed to multilateral creditors, in the year 2002.

ii. Bilateral Creditors

DOD in respect of bilateral creditors amounted to K2,173 million or 38 percent of external debt as at end December 2002. Loans from the Government of Japan accounted for K1,572 million or 72 percent of total bilateral debt. Outstanding amounts from the Government of Australia amounted to K389 million or 18 percent of the bilateral debt stock, and Chinese loans accounting for K49 million or 2 percent of debts in this category. Credits from "other" bilateral creditors including South Korea, France and Germany, together accounted for K154 million or 7 percent of bilateral debt, by the close of 2002.

iii. Commercial Creditors

Debts owed to commercial entities rose significantly by 80 percent between 2001 and end 2002. This is mainly attributed to disbursements from the YumiYet Bridge Project supported by funds borrowed from the Deutsche Bank AG, London and the Exports Credits Guarantee Department of the United Kingdom. By end 2002, Commercial debts account for 3 percent or K195 million of external debts.

iv. Domestic Debt By Instrument Type

The main objective of government borrowing should be to secure low long-term costs of the debt taking into consideration the risks associated with a borrowing strategy. Furthermore, the debt policy must also

contribute to the development and efficiency of the securities market. The risks associated with the government debt relate to the level of costs of debt and the effects of major fluctuations in interest costs on the central government's budget balance.

In managing the interest-rate and refinancing risk on the domestic debt of the Government of Papua New Guinea, the Department of Treasury should target duration and the shape of the redemption profile as these are measures of exposure and distribution of payments. In addition, FED is studying the Value-at-Risk (VaR) concept with an intention of adding additional information regarding risks of the portfolio.

As indicated earlier in this bulletin, the domestic government debt of Papua New Guinea was K2,494 million at the end of 2002 (see table 2 Statistical Annexure). The total interest costs on this debt were K259 million. Approximately 87 percent of this debt was in Treasury Bills, with fluctuating interest rates, i.e. securities where the interest rate is determined several times a year for different maturity profiles. Almost all of this debt would mature within 2003 since they are all short-term in nature. Only 2 percent of the domestic profile was in respect of standard loans and 11 percent in Inscribed Stocks. The Government must take into account the risk of this borrowing strategy and avoid falling into a "Ponzi Scheme". The key to the government's debt management strategy should be the trade-off between cost and risk. This trade-off depends on preference, but it's difficult to achieve the optimal trade-off between the cost and risk for the central government because the government's demand for Treasury Bill issues is contingent on weekly cash-flow requirements and not overall debt management policy.

The Government could consider making the annual costs of the debt and the volatility of these costs the primary concern. At least in the shorter run, and with stable inflation rates, it's the fluctuation in nominal interest costs that are of interest.

C. New External Loans Contracted in 2002

The Government signed on three new loans in the year 2002, from the Asian Development, The World Bank Group and the German Government. The loans recorded an average grant element of 22.9 percent, reflecting the average relative non-concessional nature of the new loans.

Table C below indicated that the loans were for the Agriculture and Transportation sectors and indicates that the most non-concessional loan was that from the World Bank group which registered a grant element of 19 percent, way below the preferred level of 35 percent.

GRANT ELEMENT AND EFFECTIVE RATE OF INTEREST					
Title/Description	Loan Currency	Creditor	Discount Rate	Grant Element	ERI %
Nucleus Agro-Enterprises ADB 1889 (SF)	XDR	ADB	4.34	39.85	1.268
Road Maintenance & Rehab.Pj. Ibrd 7119	USD	IBRD	4.34	18.79	2.461
Navigation Aids Phase Iii Kfw	EUR	KFWB	4.69	53.71	0.754

Table 3 gives an indication of the average terms of new commitments by category. We observe that the bilateral loan registered a grant element of 53.7 percent, whilst the multilateral loans has an average grant element of 22.9 percent¹². The average interest rate for new commitments was 2.2 percent, maturity 22.2 years and grace period 6 years.

¹² Maturity, Grace Period and Grant Element weighted by amount only

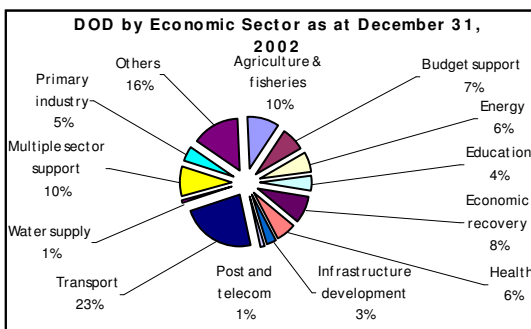
An examination of terms by creditor revealed that the loan from the Government of Germany had an interest rate of 8 percent, maturity profile of 8.8 years, grace period of 2.5 years. Loans received from the ADB and IBRD averaged at an interest rate of 2.3 percent, maturity profile of 21.3 years and grace period of 5.8 years.

The Department of Treasury is presently working on what constitutes an optimal maturity profile of the country's external liabilities, with the aim of ensuring that any new external obligation has a maturity profile of greater than five-eight years. However, the preferred profile should be consistent with the Government's macroeconomic objectives.

D. External Debt by Economic Sector

By end 2002, a total of K1,323.7 million or 23 percent of disbursed and outstanding debt had been channeled to the transportation sector, with a little over 10 percent going to agriculture, and 6.3 percent to energy development, 6.2 percent to health improvement, 8 and 9.6 percent to general economic recovery and multi sector development respectively.

Funds for the 'economic recovery' sector went to the Economic Recovery Programme. In the 'multi-sector' category, funds were secured for the Gazelle Restoration Authority Structural Adjustment, the Governance Promotion and Technical Assistance Programme Loans from the Japanese Government, World Bank group and Asian Development Bank respectively.



E. Debt by Use of Funds

Table 5 provides a breakdown of the main use of funds during the review period. As at end December 2002, approximately 33 percent of disbursed outstanding funds were in respect of exceptional or programme financing, emanating from funds drawn from the Australian Government, Asian Development Bank, Government of Japan and the World Bank Group. The remaining 67 percent were in respect of non-exceptional or project financing. To this end, the Government of PNG remains committed towards determining the optimal mix between various uses of funds, in line with the overall debt objectives of the country.

Section III

A. Debt Flows

The Government of PNG continues to maintain a 'zero-tolerance' policy on arrears and has maintained a regular and prompt payment regime with all creditors. All debt obligations continue to be paid as and when they fall due.

Table 6 (Annex) provides the reader with information of debt service for the calendar years 1994 - 2007. Total government debt service increased by 109 percent from K575.7 million in 2001 to K1,205.0 million in 2002. This increase is primarily attributable to a 77 percent increase in external debt service and a 66 percent increase in domestic debt service¹³. During the year under review, 24 percent or K292.3 million of external debt service was paid to multilateral creditors, 18 percent or

¹³ Debt Service to the Government of Australia rose by 275 percent for K21.3 million in 2001 to K79.8 million in 2002. T-Bills payments rose by 47 percent from K298.8 million in 2001 to K493 million in 2002. I-Stocks payments rose by 236 percent from K66.1 million in 2001 to K202 million in 2002.

K216.7 million to bilateral creditors and 3 percent or K38.1 million to commercial creditors. On the domestic front, 66 percent or K439.1 million was paid to Treasury Bill holders, 2 percent or K16.8 million on standard domestic loans and 30 percent or K202 million to holders of Inscribed Stocks.

With increasing interest rates on domestic securities, especially Treasury Bills, interest payments on Treasury Bills are expected to rise during 2003. Given the existing debt stock, with assumptions of future disbursement, debt service is expected to peak at K1,424 million by 2003 and taper downwards thereafter.

External debt service is usually measured as a percentage of exports of goods and non-factor services in order to determine the country's ability to earn foreign exchange to service her external obligations. In 1998 this ratio was 16 percent, peaking at 22 percent by 1999, and dropping slightly to 20 percent in 2002. The debt service to revenue ratio stood at 21 percent by end 2002. Though measurements of sustainability differ, FED believes that the sustainable level should be between 20 - 25%.

B. Disbursements

Disbursements or "drawdowns" during the year under review totalled K983.6 million, a decrease of 19 percent when compared with a level of K1,216.6 million in 2001. In the external debt sector, a total of K93.2 million was disbursed from multilateral creditors, K27.5 million from bilateral creditors and K135.8 million¹⁴ from commercial creditors. A further analysis of the data reveals that K255.6 million was disbursed through non-exceptional financing, and K0.9 million from exceptional financing, (see Annexure Table 7). In the domestic sector, a total of K647.9

million was 'disbursed' in Treasury Bills and K79.2 million on Inscribed Stocks.

In the multilateral category, the Asian Development Bank disbursed K55.2 million, and loans from the World Bank recorded a level of disbursement totaling K36.3 million. There was very little disbursement from the bilateral category with K27.5 million recorded from projects with the German Government.

C. Summary Debt Data

Summary debt data (tables 8a, 8b) provides the reader with an indication of net flows on debt (disbursements less principal repayment) and net transfers on debt (net flows less interest payments) for calendars 2000 - 2010.

Disbursements during the year 2002 amounted to K983.57 million, and principal repayments K762.60, yielding net flows *on debt* of K220.97 for the year under review. This represents a significant drop of 70 percent when compared with the level of K736.65 million recorded in the preceding year. This drop is directly attributable to a lower principal repayment bill in 2001. With interest payments reaching a level of K444.01 in the review year, *net transfers on debt* registered a negative K223.04 in 2002 indicating that the total amounts paid out far exceeded inward transfers of funds in the year.

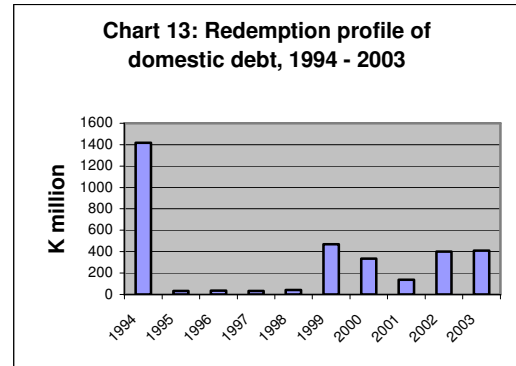
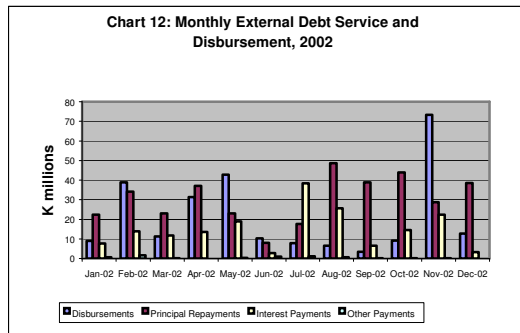
In the domestic sector, the amount of principal repayments on Treasury Bills was only 31 percent of amounts scheduled for maturity. This indicates that large portions of these instruments were rolled over when they became due for redemption.

D. Seasonality of External Debt Service

The months of July, August and October recorded the highest external debt service during the year under review, registering debt

¹⁴ The amount is in respect of the YumiYet Bridge Project

service bills of K57million, K75 million and K55 million during the year. (see Annexure Table 9 and Chart 12)



Section IV - Composition of Debt

This section examines the maturity structure, duration, currency composition, interest rate structure, level of commercial borrowing, and redemption profile of Papua New Guinea's debt portfolio.

A. Maturity Structure of Debt

In reviewing the debt profile of Papua New Guinea, it is observed that the maturity and redemption profiles have remained jagged due to the fact that new domestic issues and external loans take place in a variety of maturities. When new domestic debt issues are opened, it should be ensured that the new securities are designed in such a manner that they contribute to the smoothening of the debt profile. In other words, new issues are supposed to fill the gaps in the redemption profile.

In the external debt category, the average maturity structure for official loans rose from 13 years in 1998 to greater than 15 years by 2002. The maturity structure of new loans signed in 2002 averaged at 22.2 years, indicating a general shift towards longer maturing external loans. Table 10 indicates that 84 percent of official external loans had a maturity of above 15 years at end 2002. A small proportion (1%) had a maturity structure of between 1-5 years. One could deduce from available data that the policy shift is leaning towards long maturity instruments¹⁵. In the case of PNG, a large proportion of foreign debt is on a short-duration, long-maturity structure.

The case is different in the domestic market, where over 80 percent of domestic borrowing is in short-term instruments (see table 2). This paper will, in later sections, discuss ways in which the government could try to reverse this trend and avoid the negative consequences of bunching short maturing domestic instruments.

¹⁵ A distinction is to be made between **short-maturity** foreign currency debt and a **short-duration, long-maturity** foreign currency debt. In the event of a crisis a government with a short-maturity debt is exposed to both currency and interest rate risks, because both interest and principal payments have to be refinanced at higher exchange and interest rates. A short-duration, long maturity debt, however, exposes sovereign debt only to interest risks, because the principal does not necessarily have to be refinanced during the crisis.

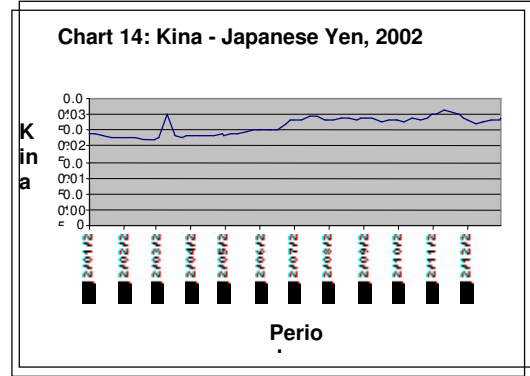
B. Currency Composition of External Debt

In order to better manage the inherent risk in the currency composition of foreign debt, the Department of Treasury must ensure that loans are secured and or repaid in currencies that are easily accessible to the Government. To this end, policy makers must ensure that the composition of foreign currency debt is matched with that of the government's foreign reserves. PNG should also choose foreign currencies that correlate positively with the Kina as preferred choices for foreign currency loans.

Table 12 indicates that by end 2002, 40 percent of foreign currency debt was held in United States dollars and 30 percent in Japanese Yen. As discussed in last year's bulletin, the Yen is increasing in stature in the debt profile of Papua New Guinea, claiming a significant option of the debt stock. This is mainly due to the fact that the Japanese Government is by far the largest donor in the bilateral category. In addition, most loans from the Asian Development Bank are also denominated in the Yen.

Loans denominated in Special Drawing Rights (the unit of account of the IMF), make up 19 percent of the debt stock. A large portion of SDR denominated loans will be repaid in Yen and US dollar. Other currencies in the portfolio include, the Australian dollar (7%), the EURO (6%), and small proportions of the Kuwaiti Dinar, British Pound, South Korean Won and Chinese Yuan.

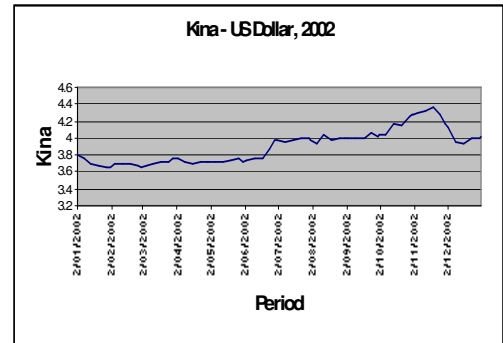
i. **YEN vs Kina** - The Kina depreciated against the Yen by about 10.6 percent in 2002 as the Yen rallied against the Kina thereby increasing the Kina cost of debt service in Yen during the same period.



ii. **US Dollar vs Kina**

It is interesting to note that the Kina performed relatively well against the US dollar in 2002, due mainly to a weaker dollar during the latter part of 2002. After struggling against the dollar in November, and recording a 15 percent depreciation, the Kina closed the year rallying to a lower depreciation level of 13 percent by end 2002.

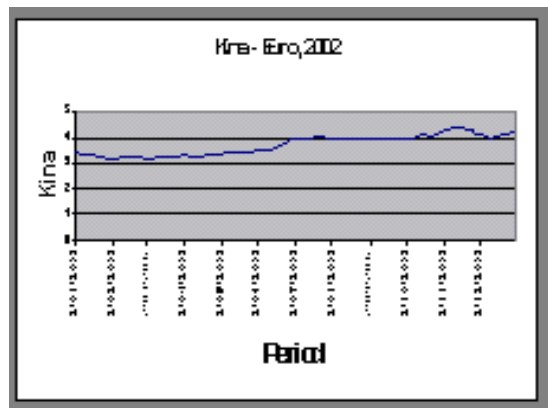
Chart 15:



iii. **Kina Vs EURO¹⁶**

The Kina experienced a similar roller coaster ride with the Euro recording a 19.6 percent depreciation against the European currency by the end of the year, thereby further rising the Kina value of debt service in this currency.

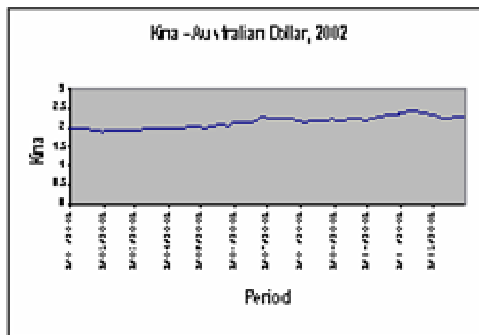
Chart 16:



iv. Kina vs Australian Dollar

The Kina appears to have the highest tolerance for the Australian dollar with relatively steady movements during the year, although the Kina ended 17.5 percents weaker against the Australian currency by the end of the year. However, Kina equivalent of transactions in this currency were more predictable during the year under review.

Chart 17:



C. Interest Rate Structure

This section reviews the interest rate trend on PNG's debt portfolio, examining the breakdown between fixed and floating rate instruments and long and short-term instruments. Ideally, the interest rate mix will depend upon the Government's policy stance - whether the policy is for stable (but higher) debt servicing costs or lower but volatile debt service costs.

i. External Debt Category

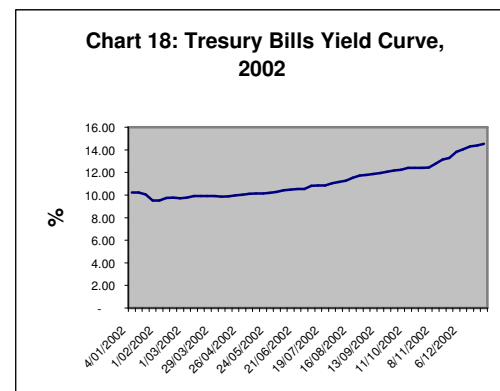
By end December 2002, the proportion of disbursed outstanding debt with variable interest rates was 32.2 percent, whilst instruments with fixed interest rates steadied at 68 percent, reflecting a portfolio of higher but stabilized debt service levels.

It is interesting to note that whilst the proportion of debt contracted in floating interest rates was lower than that of fixed rates, interest charges on floating rate instruments were approximately 48 percent of overall interest charges.

By end 2002, the average external debt effective interest rate was 4.11 percent; average fixed interest rate was 3.41 percent; and average variable interest rate was 2.55 percent.

ii. Domestic Debt Category

Data on domestic securities revealed an upward sloping yield curve for Treasury Bills, depicting higher risks associated with uncertainty regarding future interest cost. The Government of PNG must assume an interest-rate risk, because budget deficits and redemptions of the debt are being financed by future borrowings at unknown market interest rates. Given that the domestic debt burden is large and growing, fluctuations in costs will affect the budget balance, thereby affecting fiscal-policy objectives. Furthermore when considering the 5 percent deficit threshold of the Government, it is clear that controlling interest costs on the debt must be of great importance.



The low appetite for long-term debt is a direct result of the negative real returns from such periods of investments. An analysis of domestic real interest rates revealed that the short-term debt attracts the most positive real interest rates, hence the desire for such instruments.

Chart 19: Real Interest Rates 1996 - 2002

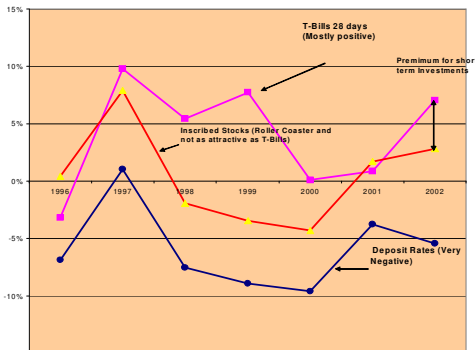
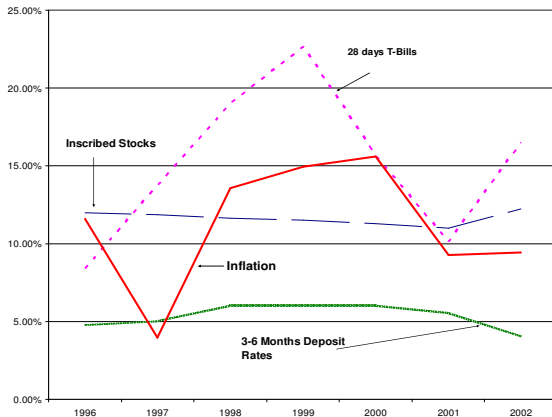


Chart 20: Comparing Various Rates with Inflation 1996 - 2002

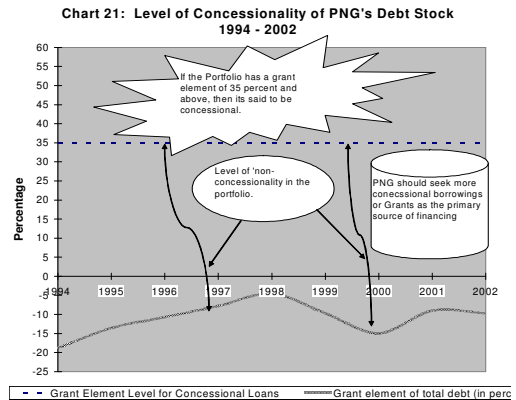


It is obvious from the above, that because of the negative returns in investing in long maturing instruments, the investor public opts for shorter-term Treasury Bills. This pattern of investment raises the question of the interest rate risk. The interest-rate risk of the government is the risk associated with substantial fluctuations over a certain period in the total costs associated with debt. With growing interest rates come the greater fluctuations in the annual cost of debt servicing.

iii. Level of Concessionality of Debt

Table 13 indicates that the ratio of concessional to non concessional loans in the debt portfolio is 3:7. This indicates that the average loan terms of Papua New Guinea's debt is generally less favourable.

Chart 21 below provides a visual display of the divergence between the concessional level and PNG grant element.



Section V - Debt Management

i. Introduction

The Government has observed that debt management arrangements in Papua New Guinea have been characterized by major shortcomings for several years. One particular area of weakness is the diffusion of responsibilities across a multitude of agencies, giving rise to a lack of policy coordination in loan contraction, project monitoring and recording and management of the Government's 'non-direct' debt. Such a situation has not only weakened the Government's ability to implement debt policies, but has also given rise to a duplication of debt management activities, which has hindered the Government's ability to fully coordinate and monitor her overall debt levels. In addition, the Government has no centralized database on implicit and explicit contingent

liabilities, court orders, arrears of National Departments, suppliers credits, child allowances payable, payment due to pensioners, un-remitted taxation by Statutory Authorities, payment to State by landholders for land leases, Government arrears in pension contributions to Public Officers Superannuation Fund and NASFUND, non-performing loans of State-Owned banks, etc.

The DOT concurs that the governance structure and legal basis for public sector borrowing remains quite vague, making it difficult for those responsible for debt management to function optimally. As a consequence, it has thought it imperative to review the structure for managing sovereign debt in a bid to properly articulate and coordinate debt management activity within predetermined guidelines, in line with the Government's overall macroeconomic framework and international standards.

The Treasury Department advocates the need for a clear legal framework for appropriate institutional arrangements for public sector borrowings. This necessitates a review of the legislation for borrowings by Government for its own use or on-lending. The framework also calls for a review of the basis for issuing government guarantees, and advocates a set of criteria and procedures for approval and monitoring of these guarantees.

In order to minimize the 'duplication' problem, the revised institutional arrangement would ensure that only agencies and committees that make a substantial contribution to the loan cycle are involved in the loan process. This would exclude agencies that only participate in the debt management process for historical or bureaucratic reasons and therefore slow down or impede the borrowing process.

Given the growing significance of public and even private sector debt management, the

Department advocates a new structure for debt management. This structure requires a higher level of sophistication due to the greater complexity of the existing loan portfolio covering domestic and foreign loans. The Department deems these changes necessary for the government to assess and manage risks in its portfolio through pre-established guidelines, targets and benchmarks. This improved structure would require the formation of a 'Technical Debt Committee' that would undertake and coordinate both the macro and micro dimensions of debt management.

The framework also involves the creation of a central data repository of all types of government management liabilities within an established debt office, which would use selected indicators to obtain early warnings of impending financial crisis.

The question is normally asked "Debt Management, Debt Markets and Credibility: What comes first in Papua New Guinea? Although all aspects of debt management are of equal importance, we will examine the following, to see the degree of importance in Papua New Guinea: -

- a. Intertemporal smoothing;
- b. Standard cost-risk optimization
- c. Credibility enhancement
- d. Local debt market development

A. Debt Management for Macro Smoothing.

The Government of PNG has to make a choice between:

- i. increasing debt when revenue falls due to transitory shocks, in order to stabilize public spending (and hence, aggregate consumption), or
- ii. allowing a decline in debt when revenue falls due to transitory shocks, in order

to stabilize public spending (and hence, aggregate consumption).

In order to achieve (i) the Government has to access credit during bad times, and to achieve (ii) the government needs to use financial instruments indexed to main exogenous cyclical sources of income. In Papua New Guinea, the market for indexed bonds has not yet been developed thereby causing perpetual increases in domestic debt stocks when revenue falls. Furthermore, the debt management capacity remains deficient and capital markets incomplete.

B. Cost-Risk Optimization

There are several types of risks for the Government to consider. These include, but are not limited to:-

- Rollover risk - this type of risk is highest for short-term debt;
- Interest rate risk - highest for low-duration debt; and
- Exchange rate risk - for foreign currency debt.

Obviously, different instruments have different risk and cost implications. In the domestic market, Papua New Guinea has relied on an ever growing Treasury Bills market to finance cash flow requirements. This makes the Government vulnerable to uncertainty regarding future interest rates as budget deficits and redemption of the debt has to be financed by future borrowing at unknown market interest rates. Since payments concerning the central-government debt are not offset by known payments on assets, it is not possible to eliminate the risk associated with the debt by matching payments from assets and liabilities. In other words: the central government cannot avoid assuming an interest rate risk as long as redemption on the domestic debt must be financed by borrowing.

One way of optimizing the exception from the portfolio is to diversify the debt portfolio with regards to maturities, currencies, indexation etc, in order to balance cost and various risks through an appropriate mix of debt instruments. Papua New Guinea has relied on a small number of debt instruments for too long, thereby increasing the possibility risks associated with such instruments.

Papua New Guinea faces difficulties in optimizing the cost-risk factor due to several factors, which include, but are not limited to the following:-

- Deficiencies in debt management capacity and/or myopic politics - postponing the inevitable;
- Difficult trade-off in reduction of different risks (rollover vs. interest risks);
- Credibility risks; and
- No market for long-term, domestic currency dominated, fixed-interest debt.

C. Credibility Enhancement

Given the above, the Department of Treasury should consider the use of indexation to enhance credibility. 'Floaters' should be indexed to domestic inflation and 'Fixers' may be indexed to the US or Australian dollar. Credibility enhancement may favor 'corner solutions' and run against diversification.

D. Development of Local Debt Markets

The need for the development of a secondary market in Papua New Guinea could not be overemphasized. The development of the local secondary debt market would enhance and facilitate the growth of the domestic sector. Good management of the secondary market has positive externalities, such as providing a benchmark yield curve as a pricing foundation,

and helping increase overall financial stability. The development of the secondary market, would also facilitate macroeconomic policies and provide a channel for long-term government financing. It would also assist monetary policy management, by allowing use of market-based, indirect monetary instruments.

In developing the secondary market, Papua New Guinea has to cope with the problems of macro instability and lack of institutionalized investors, weak financial systems that may hinder market liquidity and efficiency.

E. Summary

In short, there is no simple "debt management recipe" for Papua New Guinea. The Department of Treasury would need to balance the objectives of policy credibility (signaling via indexed instruments) and market development (externalities of long-term fixed instruments). In the external sector, PNG should source funds from non-commercial entities, and such funds must be denominated in currencies that correlate positively with the Kina, have a favorable grant element and social impact. DOT should develop the attitude of building buffers in good times (stabilization funds, high international reserves, debt portfolio diversification, adjustable liquidity ratios, and adjustable generic provisioning requirements).

Improvements in credibility through sound stabilization policies would open contingent credit lines from International Financial Institutions.

Section VI

The Way Forward

Efficient debt management especially in the domestic sector is a key to improving fiscal

stability in PNG as the central government domestic debt is relatively high, and fluctuations in costs will affect the budget balance, and affect fiscal-policy objectives if sustained. Management of 'messy debt' remains elusive and there is a need to collate, record and analyze data on this category of debt. In addition, the legal framework for borrowing remains vague and there is inadequate securitization and guidelines for government on-lending.

To this end, the Department of Treasury has the following recommendations: -

1. Legal Arrangements

Key issues to be considered for the Legal Arrangements for debt management include: -

- a. Reviewing the existing legislation for borrowing and issuing government guarantees
- b. Establishing the legislative and regulatory framework for managing debt
- c. Developing local capacity of personnel in debt legislation
- d. Combining laws into a single Public Debt Management Law
- e. Establishing a Public Debt Management Office or Regime to manage debt
- f. The establishment of a High-Level Technical Committee under the Chair of the Minister of Finance and Treasury to set borrowing policy and strategy.
- g. Setting reviewed limits on government and government guaranteed borrowings in the annual Appropriations Act
- h. Defining the role of the Central Bank in loan operations related to government and government guarantees, and

- i. Establishing the right of sub-national bodies such as provinces to borrow in the domestic market or abroad.

2. Domestic Debt Management

Key recommendations for improving domestic debt management include:

- i. Improving the domestic Bond Market
- ii. Lengthening the maturity process in order to reduce refinancing risks
- iii. Issuance of alternative long term bonds
- iv. Building the domestic yield curve
- v. Fixed rate: Short term benchmarks up to 3 years
- vi. Price-Indexed bonds: (5, 7, 10, 20, 30 years)
- vii. Developing the secondary market.
- viii. Annual evaluation of the securities market.
- ix. Create more specific benchmarks to increase liquidity.
- x. Issue auction calendar.
- xi. Produce periodic reports about relevant events within the reporting period.
- xii. Organize periodic meetings with dealers, institutional investors and credit rating agencies.
- xiii. Increase the possibility of electronic trading systems: increase of transparency, incentive for new investors
- xiv. Improved monitoring and recording of other 'non-direct' government debt
- xv. Improved monitoring and recording 'messy' debts.
- xvi. Improve criteria for on-lending borrowed funds.
- xvii. Develop benchmark indicators for domestic debt, and
- xviii. Provide several types of information to market players and public to improve transparency.

3. External Debt

Key initiatives for improving External Debt Management include, but are not limited to: -

- a. Establishing a borrowing strategy and developing borrowing guidelines.
- b. Establishing the duration of debt instruments.
- c. Conducting an annual review of the debt portfolio,
- d. Carry out regular Value at Risk and Cost at Risk analysis,
- e. Improved monitoring of Private Sector Debt
- f. Monitoring of key debt ratios

4. Provincial Borrowings, On-lent loans, Government Guarantees and 'Messy non-direct Debt'

Key Targets include: -

- Establishing guidelines for provincial borrowings and government on-lent loans to ensure adequate levels of creditworthiness prior to authorizing borrowings or government guarantees.
- Ensuring that provincial borrowing decisions are based more on the community's financial and economic viability and not so much on the project's social viability.
- Establishing guidelines to determine under what conditions the government would issue a guarantee. These guidelines must be communicated to the line departments and the general public.
- Mandating the Debt Office (regime) to review the government's guarantee position on a regular basis and determine the implications of such liabilities being passed on to the government.
- Centralizing the recording and monitoring of data on 'messy' debts in the debt recording system.

In Summary, the Department of Treasury's initiatives include, but are not limited to: -

- ❑ New Institutional arrangement, based on a Debt Management Office experience
- ❑ Consolidate Statistics on Public and Publicly guaranteed debt
- ❑ Collate statistics on non-direct debt
- ❑ Develop a borrowing strategy (Methodological Unification)
- ❑ Review the borrowing plan annually
- ❑ Regular Issuance of Public Debt Bulletins
- ❑ Produce regular auction schedules
- ❑ Develop a code of conduct for Public Debt Managers
- ❑ Develop an Investor Relations area for investors in domestic securities
- ❑ Improve transparency in debt management

5. Conclusion

The Government has outlined the need for improvements in the debt management framework, with a reviewed and re-written institutional, legal and regulatory regime as key initiatives. Once this framework is established, the Government intends to establish a regime to monitor all facets of government liability within the confines of the approved debt management framework.

Feature Article

Can Domestic Borrowing be Used to Avoid or Postpone Inflation? The Papua New Guinea Experience.

Financial Evaluation Division

Traditional economic theory reveals that financing the fiscal deficit with higher domestic debt postpones the day when inflation tax¹⁷ comes into effect. This article attempts to examine, in a simplistic way, the relationship between inflation growth, domestic debt, money supply and the size of the fiscal deficit in Papua New Guinea (PNG) during the last five years.

Over the past several years, fiscal deficits in PNG have been financed by drawing down on international reserves, off-shore borrowings, imposing value added and other taxes, mild inflation and of course, in the short run by borrowing from domestic residents.

In the case of short-term domestic borrowing, we refer to the treasury bills and bonds, which are not purchased by the central bank, but by private agents. Borrowing of this sort allows the government to sustain a deficit without reserve losses or increasing the money supply.

As already stated, the backdrop of financing deficits with higher domestic debt often postpones the day when the inflation tax comes into effect. This is due to the fact that although domestic borrowing provides resources today, it itself is a debt that has to be serviced tomorrow. Interest payments on government debt adds to fiscal expenditures (Table 5 below), and are bound to increase the

¹⁷ The Inflation Tax refers to the capital losses suffered by money holders as a result of inflation. It can be measured as

$$IT = [(P - P_{-1})/P] (M/P)$$

Where P is the inflation rate in period 1, and P₋₁, the inflation rate in the previous period and (M/P) is the real money balance.

deficit over time, possibly leading to higher inflation in the future. This problem does not occur when money financing is used to finance the deficit from the very beginning. In other words, domestic borrowing today might postpone inflation, but at the risk of even higher inflation in the future. Now let us examine this proposition in the Papua New Guinea case.

Between 1995 - 2002, the government of Papua New Guinea appeared to finance her deficit through domestic debt creation instead of money (under floating exchange rates). This is evident when comparing tables 1 and 3, which reveal the growth in domestic debt and money supply during the period. Table 1 indicates that domestic credit has been growing at a faster rate on a year-to-year basis than money supply. It however appears that the government's initial strategy was to finance the deficit through money finance, as money grew by 32 percentile points between 1995 and 1996 (see table 3). Thereafter, the growth rate of domestic debt remained constantly higher on an annual basis, with the exception of years 1999 and 2000, when decreases were observed in the stock of domestic debt. By 2002, the domestic debt stock grew by 19.5 percent with an increase in the level of Treasury Bills issued during that period, clearly depicting the shift from money finance to domestic debt.

As domestic debt accumulated over these years, the overall deficit grew because of the rising interest burden on the debt. Table 5 indicates that interest on domestic debt increased steadily over the years, indicating that as the deficit grew between 1998 and 2001, the government had to finance the rising interest bill at all costs, thereby increasing the debt-GDP ratio to about 80 percent by end 2002. A key reason why the debt ratio increases is because the real interest [r] on the government debt was higher than the real

growth [g] of the economy, and $(g-r)$ remained negative. This state of perpetual growth in domestic debt service has given rise to a Ponzi scheme¹⁸ in which the government attempts to service the old debt by issuing new debt resulting in a debt-GDP ratio that continues to rise.

A continued cycle of domestic borrowing in PNG would have the following (Ponzi) effect. Suppose the Government owes domestic debt D . When the debt D becomes due, the government owes $(1+r)D$. If it takes a new loan equal to $(1+r)D$ to pay off the old debt, it then owes a larger amount to the domestic public. In the next period the government will have to pay $(1+r)^2D$, and again, it borrows to pay this debt, allowing for a new debt of $(1+r)^3D$. In each period, then, the debt will grow at the geometric rate $(1+r)$. At this point, the public will be unwilling to hold more government debt in their portfolios, because they doubt that the government will be able to service any additional debt. At some point, the government will have to decide to stop borrowing and finance the deficit through other means.

Against this background, the Government decided in 2002, to restructure its domestic debt portfolio, by issuing longer-term and retiring short-term debt in order to minimize the immediate cost of debt servicing. Unfortunately, there was no appetite in the domestic market for longer-term instruments, given the options available during the year.

Between 1995 and 2001, the government had to decide between keeping inflation low (financing the deficit through domestic debt) or risking mild inflation (financing the deficit through money). The government opted to

¹⁸ A scheme in which a borrower takes on too much debt (to increase current consumption, for example), then plans to repay it by borrowing the money needed for debt servicing, is known as the Ponzi scheme.

keep inflation low and opted to continue financing the deficit by issuing additional domestic instruments, thereby risking a Ponzi scheme as a trade off for low inflation¹⁹. Let's see what happened with inflation.

Table 2 indicates that despite the shift from money to domestic debt financing of the deficit, inflation was in the two digit category between 1998 - 2002, increasing by 13.6 percent in 1998, by 14.9 percent in 1999, 15.6 percent in 2000 and slowed down to 11.8 percent in 2002. This indicates that if the government had opted for money financing during this period in which the deficit was growing, inflation may have spiraled even further.

As stated above, in 2001 the government decided to retire some of the domestic debt in order to avoid a possible Ponzi scheme, and prevent a situation where buyers are unwilling to hold more public debt in their portfolio, because they doubt that the government will be able to service additional debt, and the real interest rate becomes unattractive. At this point, the government would have no option but to resort to money financing, increasing money supply to cover higher interest payments on the domestic debt. This action would most certainly have inflationary implications.

Clearly, inflation cannot be postponed forever through domestic borrowing, as indicated in Tables 1 and 2. Thomas Sargent and Neil Wallace buttressed this argument in an article suggestively entitled "Some Unpleasant Monetarist Arithmetic."²⁰

¹⁹ The author is aware that the impact of changes to the stock of domestic debt on economic variables could prove to be ambiguous and could depend on the nature of expenditure. However, this paper is simply looking at the interplay between variables in relation to changes in domestic debt levels. Additional work would be done on the relationship between the stock of domestic debt and inter-temporal consumption and the Ricardian Equivalence.

²⁰ Published in the Federal Reserve Bank of Minneapolis Quarterly Review, Fall 1981, this article gave rise to an interesting controversy on the subject. It was followed three years later by Michael Darby with "some Pleasant Monetarist Arithmetic," Federal Reserve Bank

Notice, however, that a future increase in inflation is not the inevitable consequence of bond-financed deficits. Debt financing may give the government time to implement the expenditure cuts or tax increases that will eventually close the budget (see Table 4). What we are saying is that although debt financing by itself did not allow the PNG government to avoid inflation, it may have given it time to carry out other tax and expenditure strategies.

In conclusion, we note that the inflation tax and the erosion in the real value of money characterized by the drop in real money balances (M/P), was evident over the last five to seven years from 1997 - 2002, giving credence to the hypothesis that higher domestic debt only postpones the day when inflation tax comes into effect in Papua New Guinea.

of Minneapolis Quarterly Review, Spring 1984. Another voice to the debate was Benet McCallum in his "Are Bond Financed Deficits Inflationary?" *Journal of Political Economy*, February 1984.

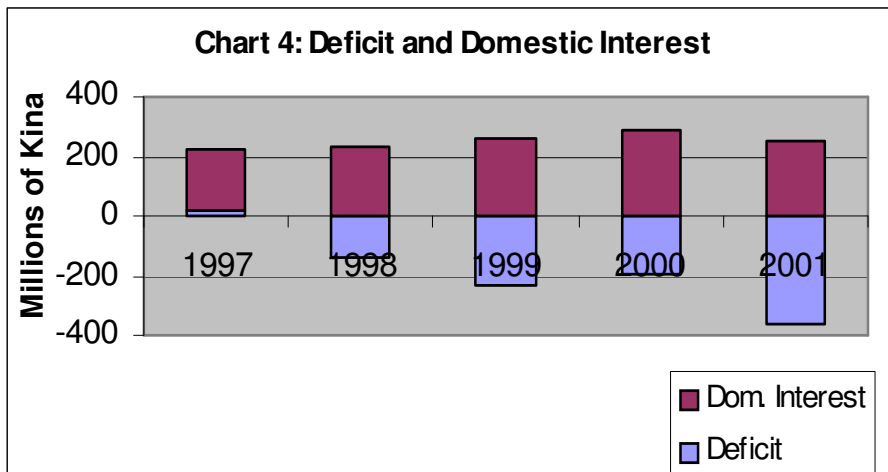
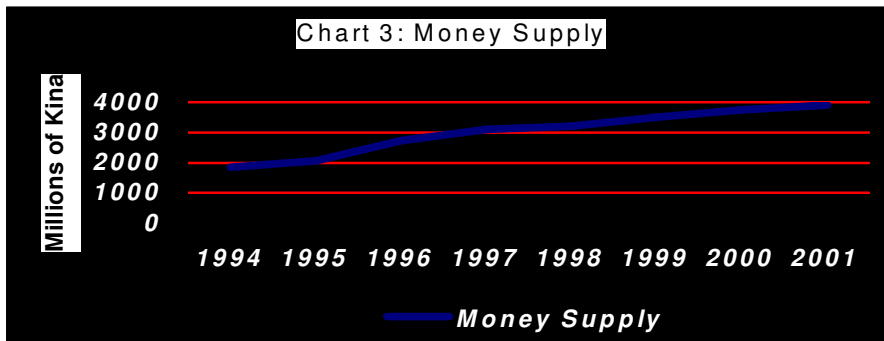
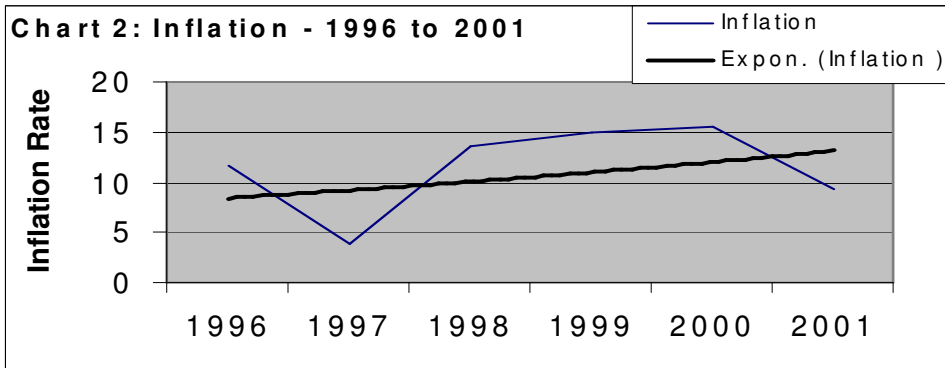
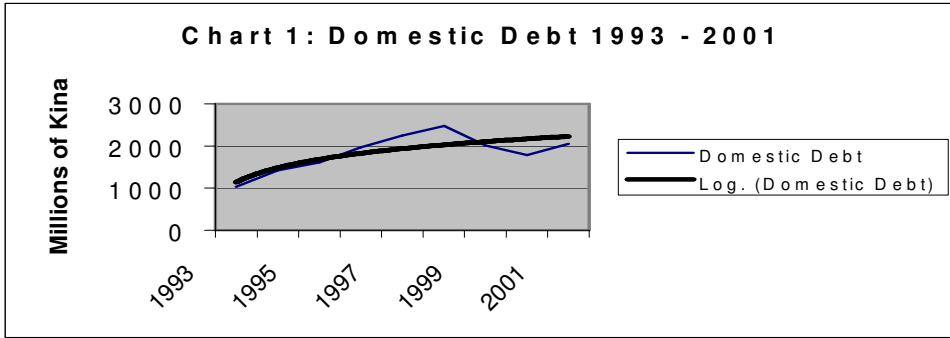


Table 2: Inflation			
Period	Indices	Inf. Rates	
1995	311.9		
1996	348.1	11.6	
1997	361.9	4.0	
1998	411.0	13.6	
1999	472.4	14.9	
2000	546.1	15.6	
2001	596.8	9.3	
2002	667.3	11.8	

Table 3: Money Supply			
Period	Changes		
1994	1,860.1		
1995	2,068.0	11.2	
1996	2,736.8	32.3	
1997	3,101.1	13.3	
1998	3,212.3	3.6	
1999	3,500.3	9.0	
2000	3,747.3	7.1	
2001	3,904.6	4.2	

Table 4: Tax Revenue			
Period	Kina M	USD M (equiv)	Real Growth
1995	1,207.2	910.8	
1996	1,526.3	1,152.8	26.57
1997	1,679.5	1,170.8	1.56
1998	1,598.2	776.1	-33.71
1999	1,920.7	753.3	-2.94
2000	2,314.9	838.7	11.34
2001	2,475.9	736.8	-12.15
2002	2,666.7	666.7	-9.52

Table 5: Fiscal Deficit and Domestic Interest		
Period	Deficits	Domestic Interest
1997	15.40	202.2
1998	-137.40	226.4
1999	-232.30	267.0
2000	-192.30	280.1
2001	-363.00	258.4
2002	-454.30	259.1

Source: BPNG Quarterly Economic Bulletins, December 2001, and March 1999

External Debt Bulletin, 2001 - Department of Treasury

Economic Policy Unit, Department of Treasury

Statistical annex

Summary

Table 1: Papua New Guinea Public and Publicly Guaranteed Debt Flows and Stock, 1994 -2007 1/
(in millions of kina)

7/12/2004 12:01	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Total Debt Service Payments	1823.5	544.9	393.9	523.9	575.7	1099.7	1058.3	938.2	1206.6	1424.7	1335.8	1277.1	1183.9	1119.3
Principal	1660.9	231.0	153.7	241.0	244.1	697.1	625.2	493.5	762.6	865.0	842.2	804.1	729.9	680.3
Interest	162.5	313.9	240.2	282.9	331.6	402.6	433.1	444.7	444.0	559.7	493.6	473.0	454.0	439.0
Disbursements	1647.6	209.4	378.0	316.3	255.3	0.0	679.6	1077.5	983.6	979.8	457.3	558.9	528.5	470.7
DOD 2/	3171.3	3560.4	3924.6	4622.5	5427.3	5812.3	6361.8	7944.8	8697.3	8315.5	7505.8	7260.8	7059.3	6848.7
Public														
External Debt Service Payments 3/	320.4	286.5	197.6	287.5	308.4	365.2	445.2	542.1	548.7	617.3	580.4	517.4	441.8	405.8
Principal	243.7	198.4	118.1	206.8	203.1	229.6	292.2	355.8	363.8	456.2	437.8	391.2	328.6	300.9
Interest	76.7	88.1	79.5	80.8	105.2	135.6	153.0	186.3	184.9	161.1	142.6	126.2	113.2	104.9
Disbursements							595.9	818.8	256.5	374.2	208.5	211.1	180.7	122.9
DOD	1620.4	1782.0	1824.1	2204.5	2722.0	3634.6	4283.3	5294.1	5745.0	5150.0	4954.0	4774.0	4626.0	4447.0
Domestic Debt Service Payments	1503.1	258.4	196.3	236.4	267.3	734.5	613.1	396.1	657.9	807.4	755.4	759.7	742.1	713.5
Principal	1417.3	32.6	35.6	34.2	41.0	467.4	333.1	137.7	398.8	408.8	404.4	412.9	401.3	379.4
Interest	85.8	225.8	160.7	202.2	226.4	267.0	280.1	258.4	259.1	398.6	351.0	346.8	340.8	334.1
Disbursements	1647.6	209.4	378.0	316.3	255.3	0.0	83.7	258.7	727.1	605.6	248.8	347.8	347.8	347.8
DOD	1430.0	1621.7	2028.2	2326.4	2605.5	2115.0	1959.6	2200.2	2494.3	2707.5	2551.8	2486.8	2433.3	2401.7
Central Bank	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt Service Payments														
Principal														
Interest														
Disbursements														
DOD 4/	120.9	156.7	72.3	91.6	99.8	62.7	119.0	450.6	458.0	458.0	0.0	0.0	0.0	0.0

Source: Papua New Guinea authorities (Treasury -Financial Evaluation Division), and staff estimations and projections .

1/ Data as at end quarter 1 2003 data are actuals, while quarter 2 2003 onwards are forecasts.

2/ DOD is Disbursed Outstanding Debt

3/ All external loans were converted from various currencies into kina

4/ Central Bank 2003 figures are provisional and based on previous year stock.

Table 2. Papua New Guinea: Public and Publicly Guaranteed Debt Outstanding, 1994-2007 1/
(in millions of Kina)

12/7/04 12:03 PM	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Total	3,171	3,560	3,925	4,622	5,427	5,812	6,362	7,945	8,697	8,316	7,506	7,261	7,059	6,849
Central government	3,050	3,404	3,852	4,531	5,327	5,750	6,243	7,494	8,239	7,858	7,506	7,261	7,059	6,849
External Debt	1,620	1,782	1,824	2,204	2,722	3,635	4,283	5,294	5,745	5,150	4,954	4,774	4,626	4,447
<i>Multilateral creditors</i>	<i>999</i>	<i>1,086</i>	<i>1,072</i>	<i>1,404</i>	<i>1,707</i>	<i>2,151</i>	<i>2,427</i>	<i>3,216</i>	<i>3,377</i>	<i>3,061</i>	<i>3,233</i>	<i>3,237</i>	<i>3,217</i>	<i>3,152</i>
World Bank group	490	488	481	658	753	901	1,061	1,448	1,459	1,311	1,252	1,219	1,178	1,130
ADB	418	492	487	636	805	1,080	1,188	1,558	1,683	1,532	1,735	1,777	1,801	1,798
EU	52	65	63	72	99	160	167	198	220	205	233	231	228	217
Other	39	41	40	37	50	10	12	11	15	13	13	10	10	7
<i>Bilateral</i>	<i>416</i>	<i>560</i>	<i>605</i>	<i>682</i>	<i>898</i>	<i>1,368</i>	<i>1,754</i>	<i>1,966</i>	<i>2,173</i>	<i>1,942</i>	<i>1,553</i>	<i>1,368</i>	<i>1,259</i>	<i>1,164</i>
Australia	12	79	82	47	7	3	262	378	398	358	114	21	9	9
China & Taiwan	9	6	7	10	21	34	46	57	49	44	35	30	27	23
Japan	349	420	466	571	806	1,206	1,299	1,413	1,572	1,394	1,278	1,206	1,129	1,051
Other	46	54	49	55	63	125	147	119	154	146	126	111	94	81
<i>Commercial creditors</i>	<i>205</i>	<i>136</i>	<i>147</i>	<i>119</i>	<i>117</i>	<i>116</i>	<i>102</i>	<i>112</i>	<i>195</i>	<i>147</i>	<i>168</i>	<i>169</i>	<i>150</i>	<i>131</i>
Banks	177	110	110	80	81	84	92	75	45	18	0	0	0	0
Other	28	27	37	39	36	32	11	37	150	129	168	169	150	131
Domestic Debt	1,430	1,622	2,028	2,326	2,606	2,115	1,960	2,200	2,494	2,708	2,552	2,487	2,433	2,402
ODD	6	16	39	73	106	99	152	76	58	51	45	34	19	13
Tbills 2/	1,008	1,218	1,615	1,932	2,187	1,775	1,579	1,749	2,169	2,483	2,384	2,384	2,384	2,384
I-Stock	416	388	354	320	286	240	206	374	284	173	123	69	31	5
Adjustments 3/	0.0	0.5	19.8	1.9	26.8	0.2	22.1	1.3	-16.4	0.0	-0.1	0.0	0.0	0.0
Central bank 4/	121	157	72	92	100	63	119	451	458	458	0	0	0	0
IMF liabilities	16	63	68	88	97	63	119	425	454	454	0	0	0	0
Other	105	93	5	4	3	0	0	25	4	4	0	0	0	0
Exchange Rate (at year end) 5/	1.1786	1.3351	1.3468	1.7522	2.0964	2.6954	3.0722	3.8095	4.0193	3.6563	3.6563	3.6563	3.6563	3.6563

Source: Papua New Guinea authorities (Treasury -Financial Evaluation Division), and staff estimations and projections (Statement G, CS-DRMS)

1/ All calculations based on contracted debt, and excluding new money (for example for program financing).

2/ Tbills stock forecast assumptions are on Roll over of maturing stock given the current trend.

3/ Adjustments are made to opening balances after changes were made from previous year-end balances.

4/ Central Bank Debt Stock for 2003 are assumption based on previous year debt stock.

5/ Exchange rate shows number of kina to 1 US Dollar. The exchange rate for 2003 is at end of quarter 1 (31/03/03).

Data as at end quarter 1 2003 are actuals, while quarter 2 2003 onwards are forecasts. The 2003 stock are as end of March 2003.

Table 3: CS-DRMS Report 306
AVERAGE TERMS OF NEW COMMITMENTS BY CATEGORY
for the calendar year 2002

2002	
BILATERAL	
INTEREST (%)	0.8
MATURITY (Years)	38.8
GRACE PERIOD (Years)	9.3
GRANT ELEMENT (%)	53.7
MULTILATERAL	
INTEREST (%)	2.3
MATURITY (Years)	21.3
GRACE PERIOD (Years)	5.8
GRANT ELEMENT (%)	21.2
ALL CREDITORS	
INTEREST (%)	2.2
MATURITY (Years)	22.2
GRACE PERIOD (Years)	6
GRANT ELEMENT (%)	22.9
<i>Notes: Data shown for Publicly Guaranteed Long Term External Debt Only</i> <i>Agreement date used for determining year of loan</i> <i>Interest weighted by time and amount</i> <i>Maturity, Grace Period and Grant Element Weighted by amount only</i>	

COMPOSITION OF DEBT BY ECONOMIC SECTOR
for the calendar years 2001 - 2004 in millions of Kina

ECONOMIC SECTOR	2001		2002		2003		2004	
	DOD	% of DOD	DOD	% of DOD	DOD	% of DOD	DOD	% of DOD
Agriculture bank	164,061	3.1	174,850.0	3.0	150,897	2.9	142,725.0	2.9
Agriculture	363,991	6.9	398,453.0	6.9	350,163	6.7	334,968.0	6.7
Budget support	363,483	6.9	416,598.0	7.3	354,484	6.8	310,126.0	6.2
Defence	5,967	0.1	49.0	-	-	-	-	-
Environment & conservati	-	-	2,707.0	0.1	12,356	0.2	21,376.0	0.4
Energy	353,670	6.7	354,053.0	6.2	299,688	5.8	266,420.0	5.4
Employment	6,316	0.1	14,882.0	0.3	31,642	0.6	50,748.0	1.0
Education	239,256	4.6	233,368.0	4.1	182,090	3.5	168,676.0	3.4
Economic recovery	456,638	8.7	456,490.0	8.0	336,055	6.5	238,569.0	4.8
Fisheries	14,602	0.3	18,102.0	0.3	21,161	0.4	23,413.0	0.5
Harbours board	75,981	1.4	72,533.0	1.3	58,586	1.1	52,186.0	1.1
Health	327,380	6.2	357,123.0	6.2	330,768	6.4	326,096.0	6.6
Housing	67,677	1.3	45,439.0	0.8	17,715	0.3	-	-
Industrial development	29,404	0.6	32,600.0	0.6	29,042	0.6	28,246.0	0.6
Infrastructure developmen	-	-	149,665.0	2.6	153,628	3.0	167,946.0	3.4
Lands & physical plan.	36,383	0.7	33,242.0	0.6	25,561	0.5	20,881.0	0.4
Minerals and energy	11,656	0.2	12,975.0	0.2	11,473	0.2	11,071.0	0.2
Manufacturing	19,089	0.4	20,140.0	0.4	16,031	0.3	11,451.0	0.2
Mining	3,097	0.1	12,102.0	0.2	20,075	0.4	26,670.0	0.5
Multiple sector support	503,017	9.6	548,647.0	9.6	498,019	9.6	497,883.0	10.0
Other	98,023	1.9	109,775.0	1.9	109,885	2.1	117,117.0	2.4
Petroleum	42,087	0.8	47,577.0	0.8	46,662	0.9	48,565.0	1.0
Primary industry	263,830	5.0	275,867.0	4.8	243,894	4.7	233,331.0	4.7
Post and telecom	44,296	0.8	56,952.0	1.0	53,151	1.0	48,304.0	1.0
Provinces	124,547	2.4	130,585.0	2.3	110,103	2.1	102,833.0	2.1
Public service	179,057	3.4	184,611.0	3.2	291,562	5.6	286,790.0	5.8
Structural adjustment	114,557	2.2	107,275.0	1.9	85,411	1.6	73,236.0	1.5
Sports & recreation	17,786	0.3	9,703.0	0.2	7,200	0.1	5,575.0	0.1
Transport	1,209,219	23.0	1,323,723.0	23.0	1,162,667	22.4	1,115,253.0	22.4
Works	67,062	1.3	81,843.0	1.4	128,268	2.5	177,248.0	3.6
Water supply	56,981	1.1	63,363.0	1.1	64,149	1.2	70,542.0	1.4
Total	5,259,113		5,745,197		5,202,388		4,978,244	

Table 5: CS-DRMS Report 708

Papua New Guinea

DEBT BY USE OF FUNDS AND INDIVIDUAL CREDITOR for the calendar year 2002 in thousands of kina							
Creditor/Country	Disbursed Outstanding Debt at 31/12/2001	Transactions during 2002					Disbursed Outstanding Debt at 31/12/2002
		Disburse- ments	Commit- ments	Cancell- ations	Principal Repayment	Parity Change	
(1) PROGRAMME (PG)							
Australia (AU)	383,444	-	-	-	49,550	64,343	398,237
Japan (JP)	427,554	-	-	-	14,204	70,643	483,994
Asian Development Bank (ADB)	325,173	905	-	-	3,175	19,709	342,612
International Bank For Reconstruction & Development (IBRD)	681,637	-	-	-	24,754	34,946	691,829
Total - Programme	1,817,809	905	-	-	91,683	189,641	1,916,671
(2) PROJECT (PJ)							
Australia (AU)	194	-	-	-	195	227	227
China (CN)	37,119	-	-	-	-	11,099	26,019
Fed. Republic of Germany (DE)	65,040	24,454	10,039	-	8,161	13,902	95,235
Spain (ES)	5,967	-	-	-	5,886	129	49
France (FR)	2,374	-	-	-	307	551	2,618
Japan (JP)	985,653	-	-	-	58,944	161,563	1,088,272
Korean Dem. People's Rep. (KP)	38,663	3,005	-	3,339	1,394	4,528	44,801
Kuwait (KW)	11,646	-	-	-	1,609	876	10,913
Malaysia (MY)	67,677	-	-	-	25,401	3,163	45,439
Republic of China (RC)	23,454	-	-	-	1,454	1,290	23,290
United Kingdom (UK)	1,612	135,761	-	-	1,530	13,823	149,665
Asian Development Bank (ADB)	1,228,905	54,317	21,282	6,820	67,533	124,817	1,340,506
European Community (EC) (EECM)	171,323	173	-	-	3,977	42,216	209,735
European Investment Bank (EIBK)	19,625	-	-	-	9,302	102	10,426
International Bank For Reconstruction & Development (IBRD)	431,069	36,415	161,292	52,956	67,517	19,124	419,092
International Development Association (IDAS)	334,840	-	-	-	13,589	27,219	348,470
International Fund For Agriculture Development (IFAD)	13,305	1,490	-	-	2,367	1,892	14,321
The OPEC Fund For International Development (OPEC)	-	-	-	-	-	-	-
Union Bank Of Switzerland (UBFS)	2,839	-	-	4,401	2,934	95	-
Total - Project	3,441,304	255,615	192,612	67,516	272,100	403,706	3,828,526
TOTAL	5,259,113	256,520	192,612	67,516	363,783	593,347	5,745,197

Notes [1] Only external loans included in the report.

Short-term debt, grouped loans and commercial papers are excluded from the report

Parity change is + for increases to Outstanding Debt - for decreases

SA 5

Table 6. Papua New Guinea Public and Publicly Guaranteed Debt Service, 1994 - 2007
(in millions of Kina)

12/7/04 12:11 PM	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Total Principal Interest														
Total Central government	1823.5	544.9	393.9	523.9	575.7	1099.7	1058.3	938.2	1206.6	1424.7	1335.8	1277.1	1183.9	1119.3
Principal	1660.9	231.0	153.7	241.0	244.1	697.1	625.2	493.5	762.6	865.0	842.2	804.1	729.9	680.3
Interest	162.5	313.9	240.2	282.9	331.6	402.6	433.1	444.7	444.0	559.7	493.6	473.0	454.0	439.0
External Debt	320.4	286.5	197.6	287.5	308.4	365.2	445.2	542.1	548.7	617.3	580.4	517.4	441.8	405.8
Principal	243.7	198.4	118.1	206.8	203.1	229.6	292.2	355.8	363.8	456.2	437.8	391.2	328.6	300.9
Interest	76.7	88.1	79.5	80.8	105.2	135.6	153.0	186.3	184.9	161.1	142.6	126.2	113.2	104.9
Multilateral creditors	82.7	112.9	111.5	113.5	166.0	229.6	263.9	303.2	292.3	268.1	249.8	258.5	269.8	253.2
Principal	42.4	58.2	64.0	66.8	100.4	144.7	166.8	191.2	192.3	185.9	172.7	184.6	198.7	185.7
Interest	40.3	54.7	47.5	46.8	65.6	84.9	97.1	112.0	100.0	82.2	77.1	73.9	71.1	67.5
<i>World Bank group</i>	<i>48.7</i>	<i>67.0</i>	<i>68.1</i>	<i>70.1</i>	<i>103.1</i>	<i>135.8</i>	<i>149.9</i>	<i>159.6</i>	<i>150.4</i>	<i>139.7</i>	<i>123.0</i>	<i>130.9</i>	<i>136.3</i>	<i>119.1</i>
Principal	26.2	35.9	41.9	43.1	65.6	90.8	99.2	110.5	105.9	100.6	86.9	97.4	105.2	90.7
Interest	22.5	31.1	26.3	27.0	37.5	45.0	50.7	49.1	44.5	39.1	36.1	33.5	31.1	28.4
<i>ADB</i>	<i>26.5</i>	<i>37.8</i>	<i>34.2</i>	<i>35.5</i>	<i>51.8</i>	<i>77.1</i>	<i>96.5</i>	<i>118.1</i>	<i>121.9</i>	<i>108.1</i>	<i>109.7</i>	<i>113.8</i>	<i>119.7</i>	<i>119.0</i>
Principal	10.7	16.6	16.6	18.0	26.4	41.5	54.1	67.4	70.6	68.5	71.8	76.6	82.9	82.9
Interest	15.8	21.2	17.6	17.5	25.4	35.6	42.4	50.7	51.3	39.6	37.9	37.2	36.8	36.1
<i>Other</i>	<i>7.5</i>	<i>8.1</i>	<i>9.2</i>	<i>8.0</i>	<i>11.2</i>	<i>16.7</i>	<i>17.5</i>	<i>25.5</i>	<i>20.0</i>	<i>20.3</i>	<i>17.1</i>	<i>13.8</i>	<i>13.8</i>	<i>15.1</i>
Principal	5.5	5.7	5.5	5.7	8.4	12.4	13.5	13.3	15.8	16.8	14.0	10.6	10.6	12.1
Interest	2.0	2.4	3.6	2.3	2.7	4.3	4.0	12.2	4.2	3.5	3.1	3.2	3.2	3.0
Bilateral	32.4	40.6	42.8	86.6	107.3	90.0	142.6	186.7	216.5	298.3	299.0	237.6	150.8	131.7
Principal	17.9	22.2	20.6	61.7	77.6	51.2	95.2	119.6	137.2	223.9	236.4	187.8	111.1	96.4
Interest	14.5	18.4	22.2	24.9	29.8	38.8	47.3	67.0	79.3	74.4	62.6	49.8	39.7	35.3
Australia	2.9	3.1	8.4	46.3	48.4	0.8	0.6	21.3	79.9	158.0	159.8	101.7	13.8	0.7
Principal	1.3	2.1	3.2	39.6	43.4	0.0	0.6	0.4	49.8	131.0	141.3	92.9	12.0	0.0
Interest	1.7	1.1	5.1	6.7	5.0	0.8	0.0	21.0	30.1	27.0	18.5	8.8	1.8	0.7
China	0.0	0.0	0.0	0.0	0.0	0.0	0.6	2.7	2.4	5.3	5.5	5.4	4.5	4.5
Principal	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.5	1.5	4.5	4.8	4.8	3.9	3.9
Interest	0.0	0.0	0.0	0.0	0.0	0.0	0.6	1.1	0.9	0.8	0.7	0.6	0.6	0.6
Japan	23.0	31.0	28.7	34.3	49.9	77.4	137.3	149.3	116.3	115.1	111.0	108.7	111.8	109.4
Principal	11.3	15.5	13.6	17.9	27.9	42.3	92.2	108.2	73.0	73.2	72.0	72.0	77.3	77.3
Interest	11.7	15.5	15.1	16.5	22.0	35.0	45.2	41.1	43.3	41.9	39.0	36.7	34.5	32.1
Other	6.5	6.5	5.8	6.0	9.0	11.9	4.3	13.3	17.9	19.9	22.7	21.8	20.7	17.1
Principal	5.3	4.6	3.8	4.2	6.3	8.9	2.8	9.5	12.9	15.2	18.3	18.1	17.9	15.2
Interest	1.2	1.9	2.0	1.8	2.7	3.0	1.5	3.8	5.0	4.7	4.4	3.7	2.8	1.9
Other Commercial	205.3	133.0	43.2	87.4	35.0	45.6	38.7	52.2	39.9	50.9	31.6	21.3	21.2	20.9
Principal	183.4	118.0	33.5	78.3	25.2	33.7	30.1	45.0	34.3	46.4	28.7	18.8	18.8	18.8
Interest	21.9	15.0	9.7	9.1	9.9	11.9	8.6	7.2	5.6	4.5	2.9	2.5	2.4	2.1
Banks	199.4	125.9	36.4	77.1	21.4	27.8	28.9	44.2	30.6	25.1	18.0	0.0	0.0	0.0
Principal	179.6	113.2	28.6	70.1	14.7	19.1	21.5	37.7	28.4	23.9	17.7	0.0	0.0	0.0
Interest	19.8	12.7	7.8	7.0	6.7	8.6	7.4	6.5	2.2	1.2	0.3	0.0	0.0	0.0
Other	5.9	7.1	6.9	10.3	13.6	17.8	9.8	8.0	9.3	25.8	13.6	21.3	21.2	20.9
Principal	3.8	4.8	5.0	8.2	10.5	14.6	8.6	7.2	5.9	22.5	11.0	18.8	18.8	18.8
Interest	2.1	2.3	1.9	2.1	3.1	3.2	1.2	0.8	3.4	3.3	2.6	2.5	2.4	2.1
Domestic Debt	1503.1	258.4	196.3	236.4	267.3	734.5	613.1	396.1	657.9	807.4	755.4	759.7	742.1	713.5
Principal	1417.3	32.6	35.6	34.2	41.0	467.4	333.1	137.7	398.8	408.8	404.4	412.9	401.3	379.4
Interest	85.8	225.8	160.7	202.2	226.4	267.0	280.1	258.4	259.1	398.6	351.0	346.8	340.8	334.1
ODD	7.1	5.9	4.3	9.3	26.5	27.3	19.5	37.2	16.8	14.3	11.3	15.5	18.1	6.8
Principal	5.7	4.6	1.6	0.2	7.0	10.0	3.3	14.6	8.3	6.3	6.3	11.1	15.5	5.5
Interest	1.5	1.2	2.7	9.1	15.2	17.3	16.1	22.6	8.5	8.0	5.0	4.4	2.6	1.3
Tbills	1424.2	184.6	122.1	160.7	1891.6	637.1	535.2	298.8	439.1	633.2	678.3	678.3	678.3	678.3
Principal	1383.6	0.0	0.0	0.0	0.0	411.6	289.7	89.1	227.5	271.4	347.8	347.8	347.8	347.8
Interest	40.6	184.6	122.1	160.7	184.0	225.5	245.5	209.7	211.6	361.8	330.5	330.5	330.5	330.5
1-Stock	71.7	67.9	70.0	66.5	276.1	70.0	58.5	60.1	202.0	159.9	65.8	65.9	45.7	28.4
Principal	28.0	28.0	34.0	34.0	34.0	45.8	40.0	34.0	163.0	131.1	50.3	54.0	38.0	26.1
Interest	43.7	39.9	36.0	32.5	27.2	24.3	18.5	26.1	39.0	28.8	15.5	11.9	7.7	2.3
Memorandum items:														
Public debt service ratio														
Public debt ratio/government revenues														
Overall debt service ratio														

* Book value estimates used for ADB and IBRD Pooled loans in 2003

* 2003 Quarter 1 data are actuals, while 2003 Quarter 2 onwards are projections.

Table 7. Papua New Guinea Projected Central Government Loan Disbursements and Cash Grants
(in millions of kina)

7/12/2004 13:01	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Total loan disbursements	1,647.6	223.4	403.0	348.3	268.4	3.4	133.5	1,216.6	983.6	979.9	457.3	558.9	528.5	470.7
Total Central government External Loan Disbursement:	0.0	0.0	0.0	0.0	0.0	0.0	0.0	818.8	256.5	374.2	208.5	211.1	180.7	122.9
Projects	0.0	0.0	0.0	0.0	0.0	0.0	0.0	658.0	255.6	245.8	208.5	211.1	180.7	122.9
Exceptional/budget financing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	160.8	0.9	128.4	0.0	0.0	0.0	0.0
Multilateral creditors	0.0	0.0	0.0	0.0	0.0	0.0	0.0	545.6	93.2	321.1	177.3	188.6	178.4	121.2
Projects	0.0	0.0	0.0	0.0	0.0	0.0	0.0	425.2	92.3	192.7	177.3	188.6	178.4	121.2
Exceptional/budget financing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	120.4	0.9	128.4	0.0	0.0	0.0	0.0
World Bank group	0.0	0.0	0.0	0.0	0.0	0.0	0.0	338.6	36.3	59.2	53.6	64.7	64.7	41.9
Projects								274.1	36.3	59.2	53.6	64.7	64.7	41.9
Exceptional/budget financing								64.5	0.0	0.0	0.0	0.0	0.0	0.0
ADB	0.0	0.0	0.0	0.0	0.0	0.0	0.0	201.0	55.2	236.7	103.2	117.7	107.5	79.3
Projects								148.1	54.3	108.3	103.2	117.7	107.5	79.3
Exceptional/budget financing								52.9	0.9	128.4	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6.1	1.7	25.2	20.5	6.2	6.2	0.0
Projects								3.0	1.7	25.2	20.5	6.2	6.2	0.0
Exceptional/budget financing								3.0	0.0	0.0	0.0	0.0	0.0	0.0
Bilateral	0.0	0.0	0.0	0.0	0.0	0.0	0.0	273.1	27.5	12.6	5.8	2.8	2.3	1.7
Projects	0.0	0.0	0.0	0.0	0.0	0.0	0.0	232.8	27.5	12.6	5.8	2.8	2.3	1.7
Exceptional/budget financing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	40.4	0.0	0.0	0.0	0.0	0.0	0.0
Australia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	76.2	0.0	0.0	0.0	0.0	0.0	0.0
Projects								76.2	0.0	0.0	0.0	0.0	0.0	0.0
Exceptional/budget financing								0.0	0.0	0.0	0.0	0.0	0.0	0.0
Japan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	176.0	0.0	0.0	0.0	0.0	0.0	0.0
Projects								135.6	0.0	0.0	0.0	0.0	0.0	0.0
Exceptional/budget financing								40.4	0.0	0.0	0.0	0.0	0.0	0.0
China & Taiwan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Projects								0.0	0.0	0.0	0.0	0.0	0.0	0.0
Exceptional/budget financing								0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	21.0	27.5	12.6	5.8	2.8	2.3	1.7
Projects								21.0	27.5	12.6	5.8	2.8	2.3	1.7
Exceptional/budget financing								0.0	0.0	0.0	0.0	0.0	0.0	0.0
Commercial creditors	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	135.8	40.5	25.4	19.7	0.0	0.0
Banks								0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other								0.0	135.8	40.5	25.4	19.7	0.0	0.0
Domestic Loan Disbursements	1,647.6	223.4	403.0	348.3	268.4	3.4	133.5	397.8	727.1	605.7	248.8	347.8	347.8	347.8
ODD	0.0	14.0	25.0	32.0	13.1	3.4	49.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Tbills	1,647.6	209.4	378.0	316.3	255.3	0.0	83.7	258.7	647.9	585.4	248.8	347.8	347.8	347.8
I-Stock	0.0	0.0	0.0	0.0	0.0	0.0	0.0	139.1	79.2	20.2	0.0	0.0	0.0	0.0

Source: Papua New Guinea authorities (Treasury - Financial Evaluation Division), and staff estimations and projections (Statement G, CS-DRMS)

1/ 2002 and 2003 Quarter 1 data are actuals, while 2003 Quarter 2 onwards are projections.

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Table 8a: CS-DRMS Report 352			
SUMMARY DEBT DATA			
for the calendar years 2000 - 2003 in millions of Kina 1/			
CREDITOR CATEGORY	2000	2001	2002
DISBURSED OUTSTANDING DEBT	6,361.83	7,944.83	8,697.28
DISBURSEMENTS	679.56	1,077.48	983.57
PRINCIPAL REPAYMENTS	625.22	340.83	762.20
NET FLOWS ON DEBT	54.35	736.65	221.37
INTEREST PAYMENTS	433.06	363.63	442.81
NET TRANSFERS ON DEBT	- 378.71	373.02	- 221.44
TOTAL DEBT SERVICE	1,058.27	704.46	1,205.01

Notes: 1/ Data includes External and Domestic Debt

Table 8b: CS-DRMS Report 352			
SUMMARY EXTERNAL DEBT DATA			
for the calendar years 2000 - 2003 in millions of Kina 1/			
CREDITOR CATEGORY	2000	2001	2002
DISBURSED OUTSTANDING DEBT	4,283.30	5,294.10	5,745.00
DISBURSEMENTS	595.90	818.80	256.50
PRINCIPAL REPAYMENTS	292.20	203.10	363.40
NET FLOWS ON DEBT	303.70	615.70	- 106.90
INTEREST PAYMENTS	153.00	105.20	183.70
NET TRANSFERS ON DEBT	150.70	510.50	- 290.60
TOTAL DEBT SERVICE	445.20	308.30	547.10

Table 8c: CS-DRMS Report 352			
SUMMARY DOMESTIC DEBT DATA			
for the calendar years 2000 - 2003 in millions of Kina 1/			
CREDITOR CATEGORY	2000	2001	2002
DISBURSED OUTSTANDING DEBT	1,959.60	2,200.20	2,494.30
DISBURSEMENTS	83.70	258.70	727.10
PRINCIPAL REPAYMENTS	333.10	137.70	398.80
NET FLOWS ON DEBT	- 249.40	121.00	328.30
INTEREST PAYMENTS	280.10	258.40	259.10
NET TRANSFERS ON DEBT	- 529.50	- 137.40	69.20
TOTAL DEBT SERVICE	613.20	396.10	657.90

Table 9: CS-DRMS Report 653												Papua New Guinea	
EXTERNAL DEBT - DRAWINGS, AMORTISATIONS AND INTEREST (MONTHLY)													
for the calendar year 2002 in millions of Kina													
	Jan-02	Feb-02	Mar-02	Apr-02	May-02	Jun-02	Jul-02	Aug-02	Sep-02	Oct-02	Nov-02	Dec-02	
Disbursements	9.0	38.9	11.3	31.4	42.7	10.3	7.9	6.6	3.4	9.1	73.3	12.7	256.6
Principal Repaymen	22.3	34.1	23.0	37.0	23.0	8.0	17.7	48.7	38.8	44.0	28.7	38.5	363.8
Interest Payments	7.7	13.8	11.8	13.6	19.0	2.7	38.4	25.6	6.6	14.6	22.3	3.2	179.3
Other Payments	0.6	1.6	0.1	0.0	0.4	0.9	1.2	0.6	0.2	0.1	0.2	0.0	5.9
Total Debt Service	30.6	49.5	34.9	50.6	42.4	11.6	57.3	74.9	45.6	58.7	51.2	41.7	549.0

Source: CS-DRMS

Table 10: CS-DRMS Report 652							Papua New Guinea			
EXTERNAL DEBT OUTSTANDING BY ORIGINAL MATURITIES										
for the calendar years 2002 - 2011 in millions of Kina										
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
1. TOTAL - PUBLIC DEB	7,073.7	6,021.9	5,584.0	5,192.8	4,864.2	4,564.0	4,253.0	3,935.7	3,612.8	3,300.6
Disbursed	5,745.5	5,202.4	4,978.2	4,797.1	4,643.2	4,464.9	4,253.0	3,935.7	3,612.8	3,300.6
Undisbursed	1,328.2	819.6	605.8	395.7	221.1	99.1	-	-	-	-
1 - 5 years	40.6	13.2	1.1	0.4	-	-	-	-	-	-
Disbursed	40.6	13.2	1.1	0.4	-	-	-	-	-	-
Undisbursed	-	-	-	-	-	-	-	-	-	-
>5 - 10 years	448.7	294.8	142.9	40.1	18.5	10.3	5.6	2.2	-	-
Disbursed	433.0	290.3	142.5	40.1	18.5	10.3	5.6	2.2	-	-
Undisbursed	15.7	4.5	0.5	-	-	-	-	-	-	-
>10 - 15 years	615.5	522.2	488.4	452.3	414.3	375.1	334.4	292.0	248.6	205.4
Disbursed	379.9	477.1	468.7	452.3	414.3	375.1	334.4	292.0	248.6	205.4
Undisbursed	235.6	45.1	19.7	-	-	-	-	-	-	-
>15 years	5,968.9	5,191.7	4,951.6	4,700.1	4,431.4	4,178.6	3,913.0	3,641.6	3,364.2	3,095.2
Disbursed	4,892.1	4,421.7	4,366.0	4,304.4	4,210.3	4,079.5	3,913.0	3,641.6	3,364.2	3,095.2
Undisbursed	1,076.9	770.0	585.6	395.7	221.1	99.1	-	-	-	-
2. TOTAL - PRIVATE DE	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Disbursed	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Undisbursed	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
TOTAL - 1 & 2	7,073.7	6,021.9	5,584.0	5,192.8	4,864.2	4,564.0	4,253.0	3,935.7	3,612.8	3,300.6
Disbursed	5,745.5	5,202.4	4,978.2	4,797.1	4,643.2	4,464.9	4,253.0	3,935.7	3,612.8	3,300.6
Undisbursed	1,328.2	819.6	605.8	395.7	221.1	99.1	-	-	-	-

Notes: NA = Not Available

Table 11: CS-DRMS Report 654										Papua Ne' Guinea
DEBT OUTSTANDING BY REMAINING MATURITIES										
for the calendar years 2003 - 2012 in millions of Kina										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
1. TOTAL - PUBLIC DEB	6,021.9	5,584.0	5,192.8	4,864.2	4,564.0	4,253.0	3,935.7	3,612.8	3,300.6	2,991.0
Disbursed	5,202.4	4,978.2	4,797.1	4,643.2	4,464.9	4,253.0	3,935.7	3,612.8	3,300.6	2,991.0
Undisbursed	819.6	605.8	395.7	221.1	99.1	-	-	-	-	-
< 1 year	11.0	-	-	-	-	-	-	-	-	-
Disbursed	11.0	-	-	-	-	-	-	-	-	-
Undisbursed	-	-	-	-	-	-	-	-	-	-
1 - 2 years	38.9	-	-	-	-	-	-	-	-	-
Disbursed	38.9	-	-	-	-	-	-	-	-	-
Undisbursed	-	-	-	-	-	-	-	-	-	-
>2 - 3 years	183.3	67.7	0.4	-	-	-	-	-	-	-
Disbursed	183.3	67.7	0.4	-	-	-	-	-	-	-
Undisbursed	-	-	-	-	-	-	-	-	-	-
>3 - 4 years	154.4	97.8	40.6	4.2	-	-	-	-	-	-
Disbursed	154.4	97.8	40.6	4.2	-	-	-	-	-	-
Undisbursed	-	-	-	-	-	-	-	-	-	-
>4 - 5 years	-	-	-	-	-	-	-	-	-	-
Disbursed	-	-	-	-	-	-	-	-	-	-
Undisbursed	-	-	-	-	-	-	-	-	-	-
>5 - 10 years	535.3	463.3	387.9	310.8	235.9	161.7	91.0	40.8	14.6	3.3
Disbursed	509.9	450.2	381.6	310.8	235.9	161.7	91.0	40.8	14.6	3.3
Undisbursed	25.4	13.0	6.3	-	-	-	-	-	-	-
>10 - 15 years	1,090.1	1,045.3	968.7	889.0	807.1	722.4	633.6	540.7	443.9	343.0
Disbursed	1,043.1	1,025.5	968.6	889.0	807.1	722.4	633.6	540.7	443.9	343.0
Undisbursed	47.0	19.8	0.1	-	-	-	-	-	-	-
> 15 years	4,008.9	3,910.0	3,795.4	3,660.3	3,520.9	3,368.9	3,211.1	3,031.4	2,842.1	2,644.7
Disbursed	3,261.8	3,337.0	3,406.0	3,439.2	3,421.9	3,368.9	3,211.1	3,031.4	2,842.1	2,644.7
Undisbursed	747.2	572.9	389.4	221.1	99.1	-	-	-	-	-
2. TOTAL - PRIVATE DE	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Disbursed	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Undisbursed	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
TOTAL - 1 & 2	6,021.9	5,584.0	5,192.8	4,864.2	4,564.0	4,253.0	3,935.7	3,612.8	3,300.6	2,991.0
Disbursed	5,202.4	4,978.2	4,797.1	4,643.2	4,464.9	4,253.0	3,935.7	3,612.8	3,300.6	2,991.0
Undisbursed	819.6	605.8	395.7	221.1	99.1	-	-	-	-	-

Notes: NA = Not Available

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Table 12: CS-DRMS Report 670										Papua New Guinea		
CURRENCY COMPOSITION OF DEBT [1] for the calendar years 2002 - 2005 in Kina (L) and Foreign Currency (F)												
CURRENCY	2002			2003			2004			2005		
	DOD (L)	DOD (F)	% of	DOD (L)	DOD (F)	% of	DOD (L)	DOD (F)	% of	DOD (L)	DOD (F)	% of
Australian Dollars	398,009	174,964	7	255,293	115,701	5	113,966	51,650	2	21,109	9,567	0.4
Yuan Renminbis	26,019	53,581	0	20,186	45,701	0	16,706	37,821	0	13,225	29,941	0.3
European Currency Units	220,161	52,222	4	234,442	59,221	5	248,971	62,890	5	246,344	62,227	5.1
EURO Dollars	86,293	20,468	2	79,394	20,055	2	75,538	19,081	2	70,999	17,934	1.5
Pound Sterling	-	-	-	-	-	-	-	-	-	-	-	-
Thousands of Yen	1,721,931	50,780	30	1,503,486	49,029	29	1,445,827	47,148	29	1,374,802	44,832	28.7
South Korean Wons	24,661	7,253,191	0	19,416	6,695,232	0	17,798	6,137,296	0	16,180	5,793,360	0.3
Kuwaiti Dinars	10,913	813	0	8,374	687	0	6,851	563	0	5,329	438	0.1
United States Dollars	2,280,209	567,315	40	2,168,537	593,096	42	2,126,426	581,579	43	2,107,218	576,325	43.9
Special Drawing Rights	977,001	179,474	17	913,258	183,289	18	926,163	185,879	19	941,929	189,044	19.6
Total	5,745,197			5,202,388			4,978,244			4,797,134		

**Table 13: CS-DRMS Report 355
Papua New Guinea: MEMORANDA
for the calendar year(s) 2002 - 2003**

PROPORTION OF DISBURSED OUTSTANDING DEBT	2002	2003
1. Concessional Loans (percent)	30.5	30.9
2. Var. Int. Rate Loans (percent)	32.2	32.2
Notes: Concessional' means Loans with a Grant Element of 35 percent or more		

Table 13 b: 2002 WEEKLY TREASURY BILLS INTEREST RATES

Term	28day	63day	91day	182day	TOTAL	AVERAGE
4/01/2002	10.150	10.210	10.290	10.230	40.880	10.22
11/01/2002	10.120	10.250	10.310	10.230	40.910	10.23
18/01/2002	10.050	10.070	10.070	10.040	40.230	10.06
25/01/2002	9.960	9.050	9.050	9.980	38.040	9.51
1/02/2002	9.960	9.050	9.050	9.980	38.040	9.51
8/02/2002	9.560	9.740	9.650	10.050	39.000	9.75
15/02/2002	9.670	9.690	9.670	10.020	39.050	9.76
22/02/2002	9.650	9.650	9.600	9.960	38.860	9.72
1/03/2002	9.750	9.830	9.800	9.750	39.130	9.78
8/03/2002	9.890	9.920	9.920	9.950	39.680	9.92
15/03/2002	9.890	9.920	9.920	9.950	39.680	9.92
22/03/2002	9.680	9.930	9.950	10.080	39.640	9.91
29/03/2002	9.870	9.910	9.950	9.870	39.600	9.90
5/04/2002	9.930	9.950	9.980	9.600	39.460	9.87
12/04/2002	10.000	10.000	9.930	9.630	39.560	9.89
19/04/2002	10.040	10.040	9.990	9.840	39.910	9.98
26/04/2002	10.230	10.080	10.030	9.800	40.140	10.04
3/05/2002	10.280	10.130	10.100	9.900	40.410	10.10
10/05/2002	10.340	10.100	10.120	9.940	40.500	10.13
17/05/2002	10.370	10.200	10.060	9.960	40.590	10.15
24/05/2002	10.440	10.300	10.050	9.960	40.750	10.19
31/05/2002	10.580	10.380	10.190	10.000	41.150	10.29
7/06/2002	10.700	10.490	10.360	10.100	41.650	10.41
14/06/2002	10.800	10.480	10.520	10.100	41.900	10.48
21/06/2002	10.900	10.610	10.550	10.100	42.160	10.54
28/06/2002	10.900	10.610	10.550	10.100	42.160	10.54
5/07/2002	11.340	10.770	10.840	10.300	43.250	10.81
12/07/2002	11.390	10.800	10.900	10.250	43.340	10.84
19/07/2002	11.390	10.800	10.900	10.250	43.340	10.84
26/07/2002	11.520	10.970	11.160	10.500	44.150	11.04
2/08/2002	11.650	11.110	11.200	10.660	44.620	11.16
9/08/2002	11.790	11.230	11.410	10.660	45.090	11.27
16/08/2002	11.940	11.600	11.540	11.000	46.080	11.52
23/08/2002	12.110	11.860	11.590	11.310	46.870	11.72
30/08/2002	12.210	11.900	11.680	11.310	47.100	11.78
6/09/2002	12.340	11.980	11.740	11.390	47.450	11.86
13/09/2002	12.380	12.130	11.960	11.290	47.760	11.94
20/09/2002	12.520	12.310	12.150	11.320	48.300	12.08
27/09/2002	12.570	12.430	12.290	11.430	48.720	12.18
4/10/2002	12.590	12.500	12.370	11.500	48.960	12.24
11/10/2002	12.590	12.550	12.490	11.940	49.570	12.39
18/10/2002	12.600	12.580	12.490	11.940	49.610	12.40
25/10/2002	12.600	12.580	12.490	11.940	49.610	12.40
1/11/2002	12.630	12.630	12.530	11.900	49.690	12.42
8/11/2002	12.810	13.360	12.960	11.950	51.080	12.77
15/11/2002	13.610	13.530	12.970	12.500	52.610	13.15
22/11/2002	13.930	13.800	12.870	12.500	53.100	13.28
29/11/2002	14.330	14.130	13.890	12.900	55.250	13.81
6/12/2002	14.640	14.370	13.800	13.380	56.190	14.05
13/12/2002	15.110	14.840	13.870	13.390	57.210	14.30
20/12/2002	15.330	14.930	13.940	13.390	57.590	14.40
27/12/2002	15.470	15.100	14.000	13.500	58.070	14.52

Table 14: CS-DRMS Report 601		UTILISATION RATE OF FOREIGN LOANS - SUMMARY								Papua New Guinea	
		at 2002/12/31 in the currencies shown									
CREDITOR [2] USE OF FUNDS	REVISÉD AMOUNT		AMOUNT UTILISED		AMOUNT UNUTILISED				Util. Rate %		
	in Foreign Currency	in PGK at 2002/12/31	in Foreign Currency	in PGK at 2002/12/31	in Foreign Currency	in PGK at 2002/12/31	in PGK at 2002/12/31	Util. Rate %			
ASIAN DEVELOPMENT BANK											
Programme	88,990,105	XDR	443,402,116	63,242,023	XDR	315,109,714	25,748,083	XDR	128,292,402	71.10	
Project	633,710,578	USD	2,317,036,048	481,369,625	USD	1,760,031,808	152,340,953	USD	557,004,240	76.00	
Total			2,760,438,164			2,075,141,522			685,296,642	75.20	
EXPORT IMPORT BANK OF MALAYSIA											
Project	50,000,000	USD	182,815,005	50,000,000	USD	182,815,005	-	USD	-	100.00	
BANK OF CHINA											
Project	80,639,999	CNY	35,618,688	80,639,999	CNY	35,618,688	-	CNY	-	100.00	
BANCO SANTANDER											
Project	31,334,029	USD	114,566,614	31,334,029	USD	114,566,614	-	USD	-	100.00	
COMMONWEALTH DEVELOPMENT COOP.											
Project	8,750,000	GBP	50,432,375	8,750,000	GBP	50,432,375	-	GBP	-	100.00	
CHIAO TUNG BANK CO., LTD (TAIWAN)											
Project	6,700,000	USD	24,497,211	6,700,000	USD	24,497,211	-	USD	-	100.00	
Deutsche Bank AG - London											
Project	7,199,750	JPK	220,783,214	4,554,841	JPK	139,676,016	2,644,909	JPK	81,107,197	63.30	
EUROPEAN COMMUNITY (EC)											
Programme	-	ECU	-	19,356,507	ECU	76,628,541	[1]	ECU	[1]	-	
Project	63,730,196	ECU	252,295,108	54,441,398	ECU	215,522,612	9,288,798	ECU	36,772,496	85.40	
Total			252,295,108			292,151,153			[1]	115.80	
EUROPEAN INVESTMENT BANK											
Project	34,280,149	ECU	135,708,256	25,697,406	ECU	101,730,895	8,582,742	ECU	33,977,361	75.00	
EXIM BANK OF KOREA											
Project	14,470,344,696	KRW	41,964,000	14,470,344,696	KRW	41,964,000	-	KRW	-	100.00	
FRENCH TREASURY											
Project	14,531,175	FRF	5,523,300	19,689,941	FRF	7,484,147	[1]		[1]	135.50	
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEV.											
Programme	207,383,815	USD	758,257,465	207,383,815	USD	758,257,465	-	USD	-	100.00	
Project	387,261,030	USD	1,415,942,542	300,285,012	USD	1,097,932,121	86,976,017	USD	318,010,421	77.50	
Total			2,174,200,007			1,856,189,586			318,010,421	85.40	
INTERNATIONAL DEVELOPMENT ASSOCIATION											
Project	117,332,193	USD	429,001,708	117,332,193	USD	429,001,708	-	USD	-	100	
INTERNATIONAL FUND FOR AGRICULTURE DEV.											
Project	9,129,388	XDR	45,488,090	8,426,168	XDR	41,984,229	703,219	XDR	3,503,861	92.3	
JAPAN BANK FOR INTERNATIONAL COOPERATION											
Programme	17,868,650	JPK	547,949,300	17,868,650	JPK	547,949,300	-	JPK	-	100	
Project	42,127,644	JPK	1,291,861,043	42,127,635	JPK	1,291,860,772	-	JPK	-	100	
Total			1,839,810,343			1,839,810,072			-	100	
KUWAIT FUND FOR ARAB ECONOMIC DEVELOPMENT											
Project	2,000,000	KWD	24,360,600	2,000,000	KWD	24,360,600	-	KWD	-	100	
KREDITANSTALT FUR WIEDERAUFBAU											
Project	126,193,845	DEM	160,834,056	136,046,428	DEM	173,391,172	[1]		[1]	107.8	
THE OPEC FUND FOR INTERNATIONAL DEVELOPMENT											
Project	3,306,641	USD	12,090,071	3,306,641	USD	12,090,071	-	USD	-	100	
AUSTRALIAN GOVERNMENT											
Programme	197,826,823	AUD	436,504,906	197,826,823	AUD	436,504,906	-	AUD	-	100	
Project	100,000	AUD	220,650	100,000	AUD	220,650	-	AUD	-	100	
Total			436,725,556			436,725,556			-	100	
Union Bank Of Switzerland											
Project	10,302,200	USD	37,667,935	10,302,200	USD	37,667,935	-	USD	-	100	

Notes [1] The utilisation rate is over 100%. There are cancellations or refinancing on the loans.

[2] Exceptionally, where there are several different currencies for the same creditor and use of fund the currency of the first Loan in the group has been used.

Table 15: CS-DRMS Report 163		Papua New Guinea				
GRANT ELEMENT AND EFFECTIVE RATE OF INTEREST OF FOREIGN LOANS						
Loan Key	Title/Description	Loan Currency	Creditor	Discount Rate	Grant Element	Effective Rate of Interest
1969001	N Britain Smallholder Dev Proj IDA 137	USD	IDAS	4.34	60.75	0.743
1970002	Highlands Highway Project IDA 204	USD	IDAS	4.34	60.69	0.741
1970003	AGRICULTURAL DEV.PROJ. IDA 175	USD	IDAS	4.34	60.07	0.743
1972002	Ports Project IDA 326	USD	IDAS	4.34	60.35	0.745
1973001	Sm/Holder livestock Credit Proj.IDA 348	USD	IDAS	4.34	60.27	0.745
1975001	RBA InStocks.2006/07/01,2011/07/01,12/07	AUD	OZGT	5.9	-28.51	7.902
1975002	RBA Ins. Stocks Series01/08/2001	AUD	OZGT	5.9	-24.23	7.749
1975003	RBA Inscribed Stocks - 7.75% 09/06 & 16	AUD	OZGT	5.9	-28.33	7.9
1975004	RBA Inscribed Stocks - 01/04/2011	AUD	OZGT	5.9	-28.92	7.899
1975005	RBA Inscribed stock - 1/11/01 - 1/11/16	AUD	OZGT	5.9	-26.79	7.902
1975006	RBA Inscribed Stocks - 2011/12/01	AUD	OZGT	5.9	-29.1	7.901
1975007	RBA Inscribed stock - 2016/05/01	AUD	OZGT	5.9	-30.02	7.899
1975008	RBA Inscribed Stocks - 2002/01/01	AUD	OZGT	5.9	-19.22	7.383
1975009	RBA Inscribed STocks - 2017/05/01	AUD	OZGT	5.9	-22.39	7.38
1975010	RBA Inscribed Stocks - 2017/04/01	AUD	OZGT	5.9	-22.38	7.381
1975011	RBA Inscribed stocks -2003/07/01 2005/07	AUD	OZGT	5.9	4.36	5.577
1975012	RBA Inscribed Stocks - 2009/01/01 5.875%	AUD	OZGT	5.9	-0.89	5.962
1975013	RBA Ins. STocks - 2009/05/01	AUD	OZGT	5.9	-8.61	6.504
1975014	RBA Inscribed Stocks - 2009/10/01	AUD	OZGT	5.9	-8.62	6.502
1975015	RBA Inscribed Stocks - 2012/07/01	AUD	OZGT	5.9	-11.12	6.659
1976002	Education Project IDA 661	USD	IDAS	4.34	60.12	0.745
1976003	WATER SUPPLY PROJECT ADB 278 (SF)	USD	ADB	4.34	50.74	1.007
1977001	2nd Highlands Road Improv.Proj. IDA 677	USD	IDAS	4.34	60.35	0.747
1977002	E.SEPIK RURAL DEV.PROJECT ADB 290 (SF)	USD	ADB	4.34	50.71	1.006
1977003	PROVINCIAL MINI H/POWER PJ.ADB 318 (OCR)	USD	ADB	4.34	-48.3	8.373
1977004	H/LAND ROAD IMPROVEMENT PROJ.ADB 327 OCR	USD	ADB	4.34	-46	8.366
1978002	Rural Dev.Proj. (S/Highlands) IDA 841	USD	IDAS	4.34	60.59	0.741
1978003	2ND DEVELOPMENT BANK PROJ.ADB 342(SF)	USD	ADB	4.34	50.43	1.006
1978004	SECOND WATER SUPPLY PROJECT ADB 346 (SF)	USD	ADB	4.34	50.82	1.006
1978008	GOROKA Sewerage Proj. OECF/PN-I-1	JPK	JBIC	1.43	-27.34	3.024
1978009	WABAG Water Supply Project OECF/PN-I-2	JPK	JBIC	1.43	-27.34	3.024
1979001	Warangoi Hydro-electric Pro.OECF/PN-I-3	JPK	JBIC	1.43	-26.26	2.949
1980002	Third Highway Project IDA 1030	USD	IDAS	4.34	59.96	0.745
1980003	UPPER WARANGOI H/POWER PJ. ADB 414 (OCR)	USD	ADB	4.34	-38.9	7.656
1980004	UPPER WARANGOI HDROPOWER PJ.ADB 415 (SF)	USD	ADB	4.34	50.97	1.01
1980005	LAE PORT PROJECT ADB 468 (OCR)	USD	ADB	4.34	-52.1	9.067
1980006	LAE PORT PROJECT ADB 469 (SF)	USD	ADB	4.34	50.56	1.006
1980007	Access Road Ivule-Balima (Biälla) KFW	DEM	KFWB	6.16	40.88	2.01
1981002	2nd Agricultural Credit Proj. IDA 1149	XDR	IDAS	4.34	60.2	0.74
1981003	Primary Education Project IDA 1087	XDR	IDAS	4.34	60.14	0.745
1981006	French Protocol/Treasury 225 -0A1	FRF	FRTR	6.16	30.41	3.023
1982002	Enga Province Dev.Project IDA 1227	XDR	IDAS	4.34	60.02	0.745
1982003	Petroleum Exploration T/A Proj.IDA 1279	XDR	IDAS	4.34	60.17	0.745
1982004	RURAL HEALTH SERVICES PROJ.ADB 586 (OCR)	USD	ADB	4.34	-69.58	11.115
1982005	TECHNICAL EDUCATION PROJ. ADB 551 (OCR)	USD	ADB	4.34	-58.28	10.169
1982006	TECHNICAL EDUCATION PROJ. ADB 552 (SF)	USD	ADB	4.34	50.47	1.006
1982007	Pacific Forum Line Project EIB	ECU	EIBK	4.69	36.77	1.151
1982008	Beef Cattle Ranching EEC	ECU	EECM	4.69	52.39	1.003
1982011	TECHNICAL EDUCATION PROJECT OPEC 271/P	USD	OPEC	4.34	13.86	2.769
1983003	THIRD DEV. BANK PROJECT ADB 611 (SF)	USD	ADB	4.34	53.65	0.879
1983004	THIRD ROAD IMPROVEMENT PJ.ADB 631 (OCR)	USD	ADB	4.34	-71.8	10.592
1983005	Water Supply/Sewerage 1 KFW	DEM	KFWB	6.16	39.02	1.97
1983006	Hiritano Highway EEC	ECU	EECM	4.69	52.36	1.017
1983008	Regional Telecommunications Network EEC	ECU	EECM	4.69	52.45	1.017
1983009	Artisanal Fisheries Project IFAD 113-PN	XDR	IFAD	4.34	3.09	3.91
1983010	Rouna 4 Hydro-electric Proj. OECF/PN-P2	JPK	JBIC	1.43	-26.53	2.951
1984001	Secondary Education Project IBRD 2395	USD	IBRD	4.34	-59.57	10.858
1984002	CAPE RODNEY SM/H. DEV.PROJ. ADB 656 (SF)	XDR	ADB	4.34	50.16	1.006
1984003	4TH ROAD IMPROVMT SECTOR PJ.ADB 690(OCR)	USD	ADB	4.34	-71.82	10.346
1984004	4TH ROAD IMPRVMT SECTOR PJ.ADB 691 (SF)	XDR	ADB	4.34	44.66	1.004
1984006	OK Tedi Mine - Access Road KFW	DEM	KFWB	6.16	37.45	2.01
1984007	Livestock & Crops In Huris Region EEC	ECU	EECM	4.69	52.4	1.017
1984008	Magi Highway EEC	ECU	EECM	4.69	52.67	0.961
1985001	W/Sepik Provincial Dev.Proj. IBRD 2475	USD	IBRD	4.34	-53.77	10.134
1985002	Milne Bay S/Holder Dev.Proj. IBRD 2608	USD	IBRD	4.34	-39.35	8.627
1985006	Chinese Loan 1 - Waigani Sports Complex	CNY	BOCH	4.34	48.62	0
1986001	Rouna 4 Hydro-electric scheme CDC	GBP	CDCN	5.15	-27.45	9.427
1986002	PORTS DEVELOPMENT PROJECT ADB 738 (OCR)	USD	ADB	4.34	-55.32	9.165
1986003	2ND RURAL HEALTH SERVICE PJ.ADB 746 (SF)	XDR	ADB	4.34	50.95	0.985
1986004	2ND RURAL HEALTH SERVICE PJ.ADB 747(OCR)	USD	ADB	4.34	-38.29	8.18
1986005	3rd Agricultural Credit Proj. IBRD 2624	USD	IBRD	4.34	-40.82	9.104
1986019	YONKI HYDRO-ELECTRIC PROJECT EIB	ECU	EIBK	4.69	-2.81	5.017
1986023	KIMBE TALASEA ROAD EEC	ECU	EECM	4.69	53.15	0.99
1987030	WEST NEW BRITAIN SM/H. DEV ADB 784 (SF)	XDR	ADB	4.34	49.87	1.001
1987031	W.NEW BRITAIN SM/HOLD DEV.ADB 785 (OCR)	USD	ADB	4.34	-41.13	7.818
1987033	TRANSPORT IMPROVEMENT PROJECT IBRD 2742	USD	IBRD	4.34	-37.97	8.533
1987034	YONKI HYDRO-ELECTRIC PROJECT IBRD 2722	USD	IBRD	4.34	-35.37	8.324
1987035	SOUTH SIMBU RURAL DEV.PROJ. IFAD PN-192	XDR	IFAD	4.34	3.26	3.917
1987036	RAMU GRID REINFORCEMENT P.J.ADB 805 (OCR)	USD	ADB	4.34	-30.11	7.818
1987037	WATABUNG-CHUAVE ROAD - KFAED 332	KWD	KFAE	4.34	23.21	2.078
1988003	EIB POLIAMBIA TREECROPS PROJECT	ECU	EIBK	4.69	37.83	1.816
1988030	E. NEW BRITAIN SM/HOLDER DEV.ADB 853(SF)	XDR	ADB	4.34	47.79	0.986
1988031	E.NEW BRITAIN SM/HOLDER DEV.ADB 852(OCR)	USD	ADB	4.34	-31.64	7.039
1988037	POM INTL' AIRPORT REDEV.PROJ.OECF PN-P4	JPK	JBIC	1.43	-20.83	2.649
1988038	AGRICULTURE DEV. PROJECT OECF PN-P5	JPK	JBIC	1.43	-20.72	2.649
1989004	AGRICULTURE SECTOR PROGRAM ADB 997(SF)	XDR	ADB	4.34	48.62	0.991
1989005	AGRICULTURE SECTOR PROGRAM ADB 998 (OCR)	USD	ADB	4.34	-19.82	6.849
1989006	Land Mobilization Project IBRD 3051	USD	IBRD	4.34	-28.1	7.398

Table 15 Contd.

GRANT ELEMENT AND EFFECTIVE RATE OF INTEREST OF FOREIGN LOANS						
Loan Key	Title/Description	Loan Currency	Creditor	Discount Rate	Grant Element	Effective Rate of Interest
1990001	Structural Adjustment Program IBRD 3218	USD	IBRD	4.34	-31.84	7.763
1990002	Navigational Aid Program KFW	DEM	KFWB	6.16	32.29	0
1990003	INDUSTRIAL CENTRE DEVELOPT ADB 1024(SF)	XDR	ADB	4.34	48.07	0.978
1990004	TECHNICAL ASSISTANCE PROGRAM ADB 968(SF)	XDR	ADB	4.34	48.03	1.011
1990007	Vailala to Rigo Road EEC	ECU	EECM	4.69	53.26	0.978
1990008	Brown River to Veimauri Road EEC	ECU	EECM	4.69	53.42	0.971
1990009	Third Telecom Project IBRD 3154	USD	IBRD	4.34	-32.67	7.67
1990014	Chinese Loan 2 - Waigani Sports Complex	CNY	BOCH	4.34	47.07	0
1991001	SPECIAL INTERVENTION PROJ. ADB 1054(SF)	XDR	ADB	4.34	48.32	0.991
1991002	Special Intervention Program IBRD 3289	USD	IBRD	4.34	-32.24	7.802
1991003	Public Sector Training Proj. IBRD 3290	USD	IBRD	4.34	-32.02	7.802
1991004	National Road Improv. Project OECF PN-P7	JPK	JBIC	1.43	-21.8	2.72
1991005	Agriculture Sector Program OECF PN-C1	JPK	JBIC	1.43	-21.61	2.705
1991007	Trans Islands Highway (II) OECF PN-P6-2	JPK	JBIC	1.43	-21.83	2.72
1991008	Chinese Loan 3 - Markham Nat. H School	CNY	BOCH	4.34	46.09	0
1991009	3rd RURAL HEALTH SERVICES ADB 1097(SF)	XDR	ADB	4.34	48.05	1.005
1991010	CASA CN235M -100 Aircrafts - PNGDF	USD	BSAN	4.34	-14.87	7.681
1991012	AGRIC.RESEARCH & EXTENSION ADB 1110 (SF)	XDR	ADB	4.34	48.64	0.998
1992001	TRANSPORT INFR.DEV.PROJECT ADB 1153(OCR)	USD	ADB	4.34	-33.1	7.189
1992002	TRANSPORT INF.DEV.PROJECT ADB 1154 (SF)	XDR	ADB	4.34	48.2	1.009
1992003	STRUCTURAL ADJUSTMENT LOAN - OECF PN-C2	JPK	JBIC	1.43	-21.8	2.711
1992008	ROADS & BRIDGES REH. PROGRAMME EEC	ECU	EECM	4.69	57.73	0.933
1993001	ORO SM/HOLDER OIL PALM PROJ. IBRD 3485	USD	IBRD	4.34	-25.59	7.402
1993002	3RD URBAN WATER SUPPLY P.J.ADB 1211 (OCR)	USD	ADB	4.34	-24.12	6.4
1993003	HIGHER EDUCATION PROJECT ADB 1224 (SF)	XDR	ADB	4.34	47.9	1.005
1993004	3RD URBAN WATER SUPPLY PROJECT -CTB	USD	CTBC	4.34	9.31	3.51
1993005	EDUCATION DEVELOPMENT PROJ IBRD 3537	USD	IBRD	4.34	-26.31	7.26
1993006	POPULATION & FAMILY PLANN.PROJ.IBRD 3591	USD	IBRD	4.34	-29.77	7.325
1993007	POPULATION & FAMILY PLAN.PJ ADB 1225(SF)	XDR	ADB	4.34	49.3	0.963
1993008	EIB ELOCOM Power Transmission Project	ECU	EIBK	4.69	27.47	1.655
1994002	NORTH SIMBU RURAL DEV.PROJ. IFAD PN-326	XDR	IFAD	4.34	3.72	3.917
1994003	PET. EXPL. & DEV. T/A P.J. IBRD 3670	USD	IBRD	4.34	-27.6	7.156
1995003	RABAUU EMERGENCY PROGRAM ADB 1330 (SF)	XDR	ADB	4.34	47.65	1.005
1995004	JEXIM IMF PARALLEL LOAN TO PNG	JPK	JBIC	1.43	-9.33	3.192
1995007	WEWAK STORMWATER PROJECT (EXIM KOREA)	KRW	EXIK	6.06	27.76	2.899
1995008	Economic Recovery Program Loan IBRD 3934	USD	IBRD	4.34	-30.73	7.42
1996001	POM Int. A/Port Redev. Pj. (II) EOP PN-P8	JPK	JBIC	1.43	-21.88	2.719
1996002	POM Int. A/Port Redev. Pj. (III) cons P8A	JPK	JBIC	1.43	-8.88	1.936
1996112	Ramu Highway Upgrading Project No. 6 EEC	ECU	EECM	4.69	63.49	0.973
1996113	Fisheries Surveillance Pilot Pj. ELBIT/UBS	USD	UBFS	4.34	-8.17	6.514
1997001	HEALTH SECTOR DEV. PROGRAM ADB 1516(OCR)	USD	ADB	4.34	-35.87	7.413
1997002	HEALTH SECTOR DEV. PROG. ADB 1517 (SF)	XDR	ADB	4.34	47.59	1.005
1997003	HEALTH SECTOR DEV. PROGRAM ADB 1518 (SF)	XDR	ADB	4.34	49.03	0.934
1998001	El Nino Drought Response Pj IBRD 4316-U	USD	IBRD	4.34	-13.92	5.995
1998002	El Nino Drought Response Pj ID 43160101	USD	IBRD	4.34	-7.87	5.503
1998003	El Nino Drought Response Pj ID 43160103	USD	IBRD	4.34	-13.45	6.101
1998004	El Nino Drought Response Pj ID 43160104	USD	IBRD	4.34	-16.78	6.41
1998005	El Nino Drought Response Pj ID 43160105	USD	IBRD	4.34	-9.41	5.446
1998006	El Nino Drought Response Pj ID 43160107	USD	IBRD	4.34	8.35	3.431
1998007	El Nino Drought Response Pj ID 43160108	USD	IBRD	4.34	6.77	3.638
1998008	El Nino Drought Response Pj ID 43160109	USD	IBRD	4.34	15.5	2.588
1999001	FMIP Proj. ADB 1703 LBL Portion (OCR)	USD	ADB	4.34	-10.01	5.1
1999002	EMPLOYMENT SKILLS DEV.PROJ.ADB 1706(SF)	XDR	ADB	4.34	39.71	1.27
1999003	ROAD MAINTENANCE & UPGRAD.PJ.ADB 1709(OC)	USD	ADB	4.34	-22.13	6.19
1999004	KFW Navigational Aids Phase II	DEM	KFWB	6.16	65.61	0.754
1999005	KFW Upgrading of NAVAID Systems -F3256 A	EUR	KFWB	4.69	-1.66	5.033
1999006	KFW Upgrading of NAVAID System -F3256 B	EUR	KFWB	4.69	-6.49	6.984
1999007	S/HOLDER SUPP.SERV.PILOT P.J.ADB 1652 OCR	USD	ADB	4.34	-24.18	6.378
1999008	FISHERIES DEVELOPMENT P.J. ADB 1656 (OCR)	USD	ADB	4.34	-23.29	6.295
1999009	FMIP Proj. ADB 1703(OCR) PSOL Portion	USD	ADB	4.34	-22.44	6.228
1999050	Converted from FRF 1981006 - 225 0A1	EUR	FRTR	4.69	7.86	3.022
2000002	Commonwealth of Australia - US\$ 80 Mill	AUD	OZGT	5.9	-3.68	7.055
2000003	Mining Sector Strengthening Pj.IBRD 7018	USD	IBRD	4.34	-13.37	5.694
2000004	Gas Dev. and Utilization Proj. IBRD 7019	USD	IBRD	4.34	-13.37	5.694
2000005	GOVERNANCE PROMOTION ADJUSTMT IBRD 7021	USD	IBRD	4.34	-11.07	5.442
2000006	STRUCTURAL ADJUSTMENT PROG-JBIC PN-C3	JPK	JBIC	1.43	-13.33	2.214
2000008	REHAB.OF MARITIME NAVAID SYS.ADB 1754 OC	USD	ADB	4.34	-25.12	6.466
2000009	PNG-HALLA CEMENT LTD	USD	EXIK	4.34	-20.22	9.219
2000011	2nd Gazelle Restoration Pj. IBRD 4525-U	USD	IBRD	4.34	-21.06	6.322
2000012	2nd Gazelle Restoration Pj. ID 45250101	USD	IBRD	4.34	-20.95	8.17
2000013	IMF Bridging Loan/ USD 30 M-Tranche ONE	AUD	OZGT	5.9	-3.53	7.005
2000014	IMF Bridging loan US\$ 30 M-Tranche TWO	AUD	OZGT	5.9	0.65	5.708
2000015	IMF Bridging Loan USD 30 M - Tranche 3	AUD	OZGT	5.9	-0.68	6.089
2000016	2nd Gazelle Restoration Pj. ID 45250103	USD	IBRD	4.34	-11.9	6.261
2000017	2nd Gazelle Restoration Pj. ID 45250104	USD	IBRD	4.34	-2.88	4.756
2000018	2nd Gazelle Restoration Pj. ID 45250105	USD	IBRD	4.34	2.24	4.031
2000019	2nd Gazelle Restoration Pj. ID 45250106	USD	IBRD	4.34	9.69	3.48
2001001	PROV. TOWNS WATER SUPPLY & SAN.ADB 1812SF	XDR	ADB	4.34	39.69	1.293
2001002	MICROFINANCE & EMPLOYMT.PJ. ADB 1768(SF)	XDR	ADB	4.34	38.56	1.296
2001003	Yumi Yet Rural Bridge Prog.Loan Facility	JPK	DBAL	1.43	-0.75	1.53
2001004	Yumi Yet Bridge 15% Credit Facility	JPK	DBAL	1.43	-8.22	6.489
2001006	PUBLIC SERVICE PROGRAM ADB 1875(OCR)	USD	ADB	4.34	16.99	2.154
2001007	Access Road Iwele-Bailima - 1980007	EUR	KFWB	4.69	10.79	2.011
2001008	Water Supply/Sewerage - from 1983005	EUR	KFWB	4.69	12.62	2.009
2001009	OK Tedi Mine Access Road - from 1984006	EUR	KFWB	4.69	13.53	2.009
2001010	Navigational Aid Program 6.1m - 1990002	EUR	KFWB	4.69	19.25	2.039
2001011	Navigational Aid - 3.2 m - 1990002	EUR	KFWB	4.69	-3.99	10.404
2001012	Air Traffic Control Tower Tokua-1995001	EUR	KFWB	4.69	44.78	0.762
2001013	Navigational Aid Suppl. Agg - 1995002	EUR	KFWB	4.69	46.81	0.762
2001014	Navigational Aid Phase II - 1999004 KFW	EUR	KFWB	4.69	51.33	0.762
2001015	Nationwide Satellite Com.Sys.KFW F9827-01	USD	KFWB	4.34	5.26	3.136
2001016	15% Nationwide Satellite C.S KFW F9826-01	USD	KFWB	4.34	-1.15	4.851
2001017	FORESTRY AND CONSERVATION P.J. IBRD 7093	USD	IBRD	4.34	17.41	2.609
2002001	Nucleus Agro-Enterprises ADB 1889 (SF)	XDR	ADB	4.34	39.85	1.268
2002002	ROAD MAINTENANCE & REHAB.P.J. IBRD 7119	USD	IBRD	4.34	18.79	2.461
2002004	NAVIGATION AIDS PHASE III KFW	EUR	KFWB	4.69	53.71	0.754

Notes [1] Only external loans included in the report

[2] An asterisk next to the rate indicates that no discount rate exists for the loan currency
In this case, the default rate in the control table was set at the SDR rate and used to calculate the grant element

[3] A loan is generally considered to be concessional if its grant element is greater than 35 %

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Papua New Guinea

PRESENT VALUE OVER 10 YEARS

Loan Key	Title/Description	Creditor	PRESENT VALUE OVER 10 YEARS					Present Value in PGK				
			2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
1969001	N Britain Smallholder Dev Proj IDA 137	IDAS	2,373,141	2,068,172	1,974,015	1,875,454	1,772,573	1,665,118	1,553,097	1,435,692	1,312,863	1,184,292
1970002	Highlands Highway Project IDA 204	IDAS	7,727,009	6,756,828	6,474,215	6,178,480	5,869,968	5,547,933	5,212,497	4,861,044	4,493,552	4,109,083
1970003	AGRICULTURAL DEV. PROJ. IDA 175	IDAS	7,551,595	6,581,147	6,281,530	5,967,898	5,640,517	5,298,583	4,942,118	4,568,521	4,177,664	3,768,537
1972002	Ports Project IDA 326	IDAS	14,184,022	12,472,864	12,027,366	11,561,492	11,076,108	10,570,072	10,043,918	9,492,979	8,917,549	8,316,193
1973001	Sm/Holder Ivestock Credit Proj IDA 348	IDAS	7,887,861	6,944,633	6,705,763	6,455,826	6,195,600	5,924,389	5,642,527	5,347,434	5,039,314	4,717,403
1975001	RBA InStocks.2006/07/01,2011/07/01,12	OZGT	2,501,144	2,407,243	2,387,647	2,366,359	1,888,313	1,870,589	1,852,050	1,831,982	1,810,617	922,646
1975002	RBA Ins. Stocks Series01/08/2001	OZGT	-	-	-	-	-	-	-	-	-	-
1975003	RBA Inscribed Stocks - 07/05/09/06 & 16	OZGT	870,281	836,641	828,799	820,296	248,043	246,341	244,573	242,647	240,595	238,412
1975004	RBA Inscribed Stocks - 01/04/2011	OZGT	629,453	605,912	601,081	595,827	590,233	584,277	578,043	571,300	564,120	-
1975005	RBA Inscribed Stocks - 1/11/01 - 1/11/16	OZGT	258,970	249,881	248,528	247,042	245,459	243,775	242,026	240,119	238,089	235,928
1975006	RBA Inscribed Stocks - 2011/12/01	OZGT	2,500,485	2,407,594	2,389,066	2,368,900	2,347,431	2,324,573	2,300,663	2,274,782	2,247,227	-
1975007	RBA Inscribed stock - 2016/05/01	OZGT	129,167	124,612	123,914	123,148	122,333	121,465	120,563	119,581	118,535	117,421
1975008	RBA Inscribed Stocks - 2002/01/01	OZGT	-	-	-	-	-	-	-	-	-	-
1975009	RBA Inscribed STocks - 2017/05/01	OZGT	124,431	120,287	119,875	119,415	118,924	118,402	117,868	117,278	116,649	115,980
1975010	RBA Inscribed Stocks - 2017/04/01	OZGT	2,501,590	2,418,281	2,409,993	2,400,727	2,390,863	2,380,360	2,369,614	2,357,738	2,345,093	2,331,632
1975011	RBA Inscribed stocks -2003/07/01 2005/0	OZGT	1,248,572	537,622	541,948	-	-	-	-	-	-	-
1975012	RBA Inscribed Stocks - 2009/01/01 5.875	OZGT	228,589	222,473	223,308	224,158	225,063	226,027	227,093	-	-	-
1975013	RBA Ins. Stocks - 2009/05/01	OZGT	1,151,259	1,116,408	1,116,310	1,116,310	1,115,671	1,115,321	1,115,151	-	-	-
1975014	RBA Inscribed Stocks - 2009/10/01	OZGT	231,460	224,453	224,434	224,371	224,305	224,235	224,201	-	-	-
1975015	RBA Inscribed Stocks - 2012/07/01	OZGT	237,827	230,452	230,243	229,981	229,701	229,405	229,126	228,791	228,435	228,055
1976002	Education Project IDA 661	IDAS	6,881,113	6,099,671	5,934,693	5,762,409	5,583,400	5,397,270	5,204,494	5,002,901	4,792,866	4,573,894
1976003	WATER SUPPLY PROJECT ADB 278 (S	ADB	22,888,936	19,704,314	18,544,614	17,335,432	16,076,235	14,764,095	13,397,695	11,970,292	10,480,095	8,923,429
1977001	2nd Highlands Road Improv.Proj. IDA 677	IDAS	32,213,256	28,577,462	27,828,707	27,046,937	26,234,937	25,390,935	24,517,249	23,603,759	22,652,325	21,660,725
1977002	E.SEPK RURAL DEV. PROJECT ADB 278	ADB	12,953,138	11,150,992	10,494,852	9,810,639	9,098,125	8,355,651	7,582,549	6,774,854	5,931,627	5,050,787
1977003	PROVINCIAL MINI H/POWER P.J.ADB 3	ADB	1,104,098	-	-	-	-	-	-	-	-	-
1977004	H/LAND ROAD IMPROVEMENT PROJ. A	ADB	-	-	-	-	-	-	-	-	-	-
1978002	Rural Dev Proj. (S/Highlands) IDA 841	IDAS	35,031,388	31,144,113	30,399,778	29,623,043	28,817,153	27,980,400	27,115,595	26,211,858	25,271,529	24,292,465
1978003	2ND DEVELOPMENT BANK PROJ. ADB	ADB	11,501,330	9,970,181	9,459,827	8,928,100	8,374,940	7,799,093	7,200,170	6,574,938	5,922,798	5,242,174
1978004	SECOND WATER SUPPLY PROJECT A	ADB	8,844,311	7,666,854	7,274,414	6,865,490	6,440,082	5,997,224	5,536,667	5,055,830	4,554,298	4,030,857
1978008	GOROKA Sewerage Proj. OECF/PN-I	JUBIC	1,631,320	1,221,895	971,434	723,991	479,572	238,228	-	-	-	-
1978009	WABAG Water Supply Project OECF/PN	JUBIC	958,847	718,198	570,984	425,543	281,880	140,024	-	-	-	-
1979001	Warangoi Hydro-electric Proj. OECF/PN-I	JUBIC	36,975,005	28,489,274	23,595,857	18,759,921	13,981,446	9,261,379	4,600,351	-	-	-
1980002	Third Highway Project IDA 1030	IDAS	24,922,565	22,210,816	21,737,602	21,244,290	20,733,227	20,203,374	19,656,829	19,086,219	18,493,331	17,876,863
1980003	UPPER WARANGOI H/POWER P.J. ADB	ADB	4,607,931	2,154,396	-	-	-	-	-	-	-	-
1980004	UPPER WARANGOI H/POWER P.J. ADB	ADB	11,446,531	9,978,490	9,529,097	9,061,191	8,574,933	8,069,249	7,544,030	6,996,073	6,425,077	5,829,691
1980005	LAE PORT PROJECT ADB 468 (OF)	ADB	4,674,216	1,456,967	-	-	-	-	-	-	-	-
1980006	LAE PORT PROJECT ADB 469 (SFR)	ADB	15,571,454	13,596,572	13,008,475	12,396,313	11,760,367	11,099,245	10,412,885	9,696,984	8,951,225	8,173,859
1980007	Access Road Wule-Balima (Balila) KFW	KFWB	-	-	-	-	-	-	-	-	-	-
1981002	2nd Agricultural Credit Proj. IDA 1149	IDAS	31,522,841	28,304,672	27,742,617	27,156,175	26,548,668	25,918,835	25,269,719	24,591,398	23,886,504	23,153,445
1981003	Primary Education Project IDA 1087	IDAS	23,864,216	21,416,942	20,979,908	20,523,822	20,051,165	19,560,942	19,055,409	18,527,031	17,977,746	17,406,301
1981006	French Protocol/Treasury 225 -0A1	FRTR	-	-	-	-	-	-	-	-	-	-
1982002	Enga Province Dev. Project IDA 1227	IDAS	4,397,090	3,950,127	3,873,761	3,794,097	3,711,605	3,626,116	3,538,062	3,446,064	3,350,499	3,251,152
1982003	Petroleum Exploration T/A Proj. IDA 1279	IDAS	7,028,726	6,317,228	6,198,278	6,074,216	5,945,801	5,812,774	5,675,841	5,532,801	5,384,271	5,229,923
1982004	RURAL HEALTH SERVICES PROJECT ADB	ADB	-	-	-	-	-	-	-	-	-	-
1982005	TECHNICAL EDUCATION PROJ. ADB 5	ADB	-	-	-	-	-	-	-	-	-	-
1982006	TECHNICAL EDUCATION PROJ. ADB 5	ADB	16,818,444	14,749,083	14,180,496	13,589,198	12,975,596	12,338,386	11,677,660	10,989,089	10,272,518	9,526,308
1982007	Pacific Forum Line Project EIB	EIBK	-	-	-	-	-	-	-	-	-	-
1982008	Beef Cattle Ranching EEC	EECM	2,560,954	2,330,444	2,252,326	2,169,697	2,083,152	1,991,348	1,894,280	1,791,197	1,682,554	1,568,068
1982011	TECHNICAL EDUCATION PROJECT OF	OPEC	-	-	-	-	-	-	-	-	-	-
1983003	THIRD DEV. BANK PROJECT ADB 611	ADB	11,798,591	10,372,586	10,000,679	9,614,077	9,213,189	8,797,179	8,366,265	7,917,366	7,450,534	6,964,719
1983004	THIRD ROAD IMPROVEMENT P.J.ADB	ADB	17,836,925	12,964,796	9,513,645	5,866,070	2,009,888	-	-	-	-	-
1983005	Water Supply/Sewerage 1 KFW	KFWB	-	-	-	-	-	-	-	-	-	-
1983006	Hiritano Highway EEC	EECM	4,480,520	4,096,332	3,980,685	3,857,409	3,727,447	3,590,470	3,445,617	3,293,454	3,132,213	2,961,422
1983008	Regional Telecommunications Network E	EECM	9,016,638	8,235,381	7,992,371	7,733,413	7,462,268	7,174,657	6,872,376	6,553,000	6,214,639	5,856,302
1983009	Artisanal Fisheries Project IFAD 113-PN	IFAD	-	-	-	-	-	-	-	-	-	-
1983010	Rouna 4 Hydro-electric Proj. OECF/PN-P	JUBIC	94,171,580	76,913,019	68,758,278	60,704,289	52,749,976	44,896,983	37,145,344	29,500,002	21,961,075	14,530,316
1984001	Secondary Education Project IBRD 2395	IBRD	19,770,101	-	-	-	-	-	-	-	-	-
1984002	CAPE RODNEY SM.H. DEV. PROJ. ADB	ADB	35,059,696	32,259,579	31,156,636	30,009,474	28,819,324	27,583,609	26,302,977	24,967,976	23,578,724	22,131,971
1984003	4TH ROAD IMPROV'T SECTOR PJ.ADB	ADB	50,803,093	40,666,442	34,795,226	28,590,457	22,031,612	15,090,662	7,754,472	-	-	-
1984004	4TH ROAD IMPRVMT SECTOR PJ.ADB	ADB	38,622,606	33,891,361	32,379,225	30,803,305	29,163,920	27,457,265	25,682,708	23,829,375	21,895,945	19,877,614
1984006	OK Tedi Mine - Access Road KFW	KFWB	-	-	-	-	-	-	-	-	-	-
1984007	Livestock & Crops In Huris Region EEC	EECM	1,106,624	1,012,888	985,320	956,139	925,157	892,717	858,412	822,152	783,942	743,461
1984008	Magi Highway EEC	EECM	5,137,616	4,702,442	4,574,437	4,438,962	4,295,128	4,144,525	3,985,244	3,816,903	3,639,514	3,451,581
1985001	W.Sepik Provincial Dev. Proj. IBRD 2475	IBRD	4,777,875	2,094,550	-	-	-	-	-	-	-	-
1985002	Mine Bay S/Holder Dev. Proj. IBRD 2608	IBRD	-	-	-	-	-	-	-	-	-	-
1985006	Chinese Loan 1 - Waigani Sports Comple	BOCH	2,951,291	1,972,375	1,217,832	417,785	-	-	-	-	-	-
1986001	Rouna 4 Hydro-electric scheme CDC	CDCN	-	-	-	-	-	-	-	-	-	-
1986002	PORTS DEVELOPMENT PROJECT ADB	ADB	27,188,587	21,477,335	18,032,552	14,320,813	10,016,060	5,968,683	1,688,856	-	-	-
1986003	2ND RURAL HEALTH SERVICE PJ.ADB	ADB	24,035,215	22,078,367	22,173,547	22,280,554	21,540,781	20,774,187	19,981,685	19,156,681	18,299,747	17,408,968
1986004	2ND RURAL HEALTH SERVICE PJ.ADB	ADB	6,956,039	4,441,646	2,354,129	-	-	-	-	-	-	-
1986005	3rd Agricultural Credit Proj. IBRD 2624	IBRD	-	-	-	-	-	-	-	-	-	-
1986019	YONKI HYDRO-ELECTRIC PROJECT E	EIBK	10,399,644	3,382,600	-	-	-	-	-	-	-	-
1986023	KIMBE TALASEA ROAD EEC	EECM	8,129,733	7,475,312	7,309,295	7,132,942	6,945,366	6,749,028	6,541,503	6,321,592	6,089,745	5,843,808
1987002	YONKI HYDROELECTRIC PROJ. OECF	JUBIC	208,130									

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		PRESENT VALUE OVER 10 YEARS										Pa pus New Guinea	
Loan	Title/Description	Creditor	2.002	2.003	2.004	2.005	Present Va	Use in PGK	2.007	2.008	2.009	2.010	2.011
1999006	Land Mobilization Project IBRD 3051	IBRD	32,494,477	25,079,917	20,587,380	16,052,949	11,474,942	6,850,806	2,178,069				
1999007	Structural Adjustment Program IBRD 3218	IBRD	104,911,242	83,783,971	72,170,146	60,455,230	48,635,726	36,705,724	24,659,720	12,488,624			
1999008	Navigational Aid Program KFWB	KFWB											
1999009	INDUSTRIAL CENTRE DEVELOPT ADB 1024(S)	ADB	19,636,995	17,923,328	16,811,214	17,841,763	17,808,168	17,780,778	17,762,972	17,740,312	16,509,111	15,630,091	
1999010	TECHNICAL ASSISTANCE PROGRAM ADB 968	ADB	3,290,866	3,001,471	2,991,963	2,982,930	2,974,768	2,967,528	2,961,641	2,956,437	2,951,426	2,946,614	2,942,000
1999011	Valeto to Riggo Road EEC	EECM	9,011,300	8,329,064	7,745,695	7,175,052	6,621,731	6,087,394	5,562,622	5,046,907	4,539,523	4,032,136	3,524,750
1999012	Brown River to Vaimauri Road EEC	EECM	15,413,677	14,237,511	13,593,042	13,063,662	12,549,222	12,043,333	11,543,333	11,043,333	10,543,333	10,043,333	9,543,333
1999013	Third Telecom Project IBRD 3154	IBRD	28,455,849	23,311,628	20,552,779	17,496,893	14,755,896	12,552,456	10,552,456	8,552,456	6,552,456	4,552,456	2,552,456
1999014	Chinese Loan 2 - Waigani Sports Complex	BOCH	5,633,623	4,606,367	4,058,077	3,476,181	2,859,406	2,205,650	1,513,003	778,521			
1999015	STABEX '88	EECM											
1999016	SPECIAL INTERVENTION PROJ. ADB 1054(SF)	ADB	22,020,890	20,079,822	20,012,067	19,945,281	19,885,874	19,831,168	19,785,759	19,740,351	19,694,937	19,649,523	19,604,109
1999017	Special Intervention Program IBRD 3289	IBRD	38,321,158	30,865,943	26,371,511	22,843,056	18,779,496	14,678,774	10,539,184	6,378,597	2,130,760		
1999018	Public Sector Training Proj. IBRD 3290	IBRD	43,027,121	34,637,490	30,133,429	25,950,952	21,008,833	16,384,749	11,716,769	7,001,272	2,236,000		
1999019	National Road Improv Project OECF PN-P7	JBIC	100,688,020	85,791,245	70,561,685	55,370,168	40,175,402	25,097,994	10,017,047	54,976,188	49,974,565	44,972,942	39,971,319
1999020	Agriculture Sector Program OECF PN-C1	JBIC	97,167,010	82,732,047	67,745,695	52,736,052	37,761,873	22,823,741	7,890,790	53,056,523	48,230,116	43,442,193	38,653,270
1999021	Trans Islands Highway (I) OECF PN-P6-1	JBIC	163,682,936	138,900,059	128,888,525	121,002,068	112,236,420	103,593,573	95,070,555	86,679,336	78,417,091	70,285,947	62,154,803
1999022	Trans Islands Highway (II) OECF PN-P6-2	JBIC	176,272,790	150,193,934	141,039,294	131,951,247	122,927,535	113,969,217	105,074,722	96,250,403	87,449,767	78,639,945	69,829,123
1999023	Rural Health 3 - Marham Nat. H School	BOCH	13,039,943	10,662,151	9,393,134	8,046,227	6,618,653	5,105,299	3,502,167	1,802,051			
1999024	3RD RURAL HEALTH SERVICES ADB 1097(SF)	ADB	34,057,024	31,043,795	30,925,932	30,811,867	30,705,556	30,607,465	30,521,904	30,441,988	30,371,875	29,610,439	
1999025	CASA CNGSM-100 Aircrafts - PNGDF	ESAN	26,739										
1999026	AGRIC RESEARCH & EXTENSION ADB 1110 (S)	ADB	47,143,559	42,974,084	42,812,520	42,656,243	42,510,710	42,376,568	42,259,764	42,150,806	42,055,432	41,974,544	41,893,656
1999027	TRANSPORT INFR.DEV.PROJECT ADB 1153(C)	ADB	49,805,311	44,114,012	41,388,508	39,669,029	37,669,629	35,669,629	33,669,629	31,669,629	29,669,629	27,669,629	25,669,629
1999028	TRANSPORT INF.DEV.PROJECT ADB 1154 (SF)	ADB	31,329,759	28,558,839	28,451,418	28,347,507	28,250,735	28,161,529	28,083,843	28,011,368	27,941,918	27,894,031	27,842,000
1999029	STRUCTURAL ADJUSTMENT LOAN - OECF PN	IBRD	235,402,932	201,175,288	189,543,620	177,963,510	166,524,710	155,136,679	143,327,469	132,026,913	121,469,438	110,415,750	99,362,062
1999030	ROADS & BRIDGES REH. PROGRAMME EEC	EECM	40,818,126	38,291,895	38,152,922	37,887,155	37,611,878	37,337,101	37,062,324	36,787,547	36,512,770	36,238,000	35,963,223
1999031	OROI SMHOLDER OIL PALM PROJ. IBRD 3485	IBRD	47,214,598	38,544,905	34,159,549	29,738,472	25,280,695	20,784,070	16,246,972	11,665,729	7,038,407	2,362,308	
1999032	3RD URBAN WATER SUPPLY PJ. ADB 1211 (O)	ADB	33,436,385	29,776,441	26,079,546	22,376,641	18,673,736	14,970,831	11,267,926	7,565,021	3,862,116		
1999033	HIGHER EDUCATION PROJECT ADB 1224 (SF)	ADB	32,040,721	29,201,354	29,085,501	28,972,852	28,867,062	28,764,272	28,669,482	28,583,692	28,507,902	28,432,112	28,356,322
1999034	3RD URBAN WATER SUPPLY PROJECT - CTB	CTBC	20,267,624	17,407,468	15,566,351	15,311,407	14,242,698	13,159,418	12,061,417	10,946,466	9,814,153	8,663,597	7,513,140
1999035	EDUCATION DEVELOPMENT PROJ. IBRD 3537	IBRD	59,567,768	47,752,862	40,819,950	33,225,748	25,254,373	17,282,998	9,311,623	1,346,258			
1999036	POPULATION & FAMILY PLANN. PROJ. IBRD 35	IBRD	21,145,889	18,168,438	16,868,649	15,468,023	13,928,274	12,247,432	10,405,070	8,397,919	6,223,639	3,860,880	
1999037	POPULATION & FAMILY PLANN. PROJ. ADB 1153(C)	ADB	11,370,597	10,599,775	10,509,412	10,509,412	10,499,678	10,492,928	10,486,178	10,479,428	10,472,678	10,465,928	10,459,178
1999038	EIB ELOOM Power Transmission Project	EIBK	30,132,413	25,901,357	23,303,198	20,429,245	17,313,176	14,004,700	10,625,310	7,166,610	3,626,364		
1999039	BANK INDUSTRI MALAYSIA USD 50 M (BIMB)	BIMB	15,147,989	12,726,133	11,508,604	10,229,245	8,932,401	7,617,025	6,283,294	4,927,300	2,148,483		
1999040	PET. EXPL. & DEV. T/A PJ. IBRD 3670	IBRD	34,582,493	29,669,342	27,731,050	25,971,716	23,267,316	20,736,901	17,985,643	14,990,379	11,710,899	8,142,861	4,895,041
1999041	RABALI EMERGENCY PROGRAM ADB 1330 (S)	ADB	928,966	884,220	920,298	916,084	912,047	908,198	904,654	901,221	898,012		
1999042	JEXIM INF. PARALLEL LOAN TO PNG	IBRD											
1999043	WEWAK STORMWATER PROJECT (EXIM) KOFK	KOFK	20,238,311	16,137,278	15,002,734	13,844,969	12,654,979	11,430,202	10,169,023	8,866,255	7,519,743	6,126,009	
1999044	Economic Recovery Program IBRD 3934	IBRD	148,202,659	129,784,894	124,925,947	117,749,021	110,638,969	102,704,820	93,891,652	84,124,688	73,299,154	61,334,308	
1999045	POM Int. A/Port Redev. PJ. (II) EQP PN-P8	JBIC	119,752,735	105,471,678	100,632,387	95,781,539	90,930,232	86,079,384	81,228,536	76,377,688	71,526,840	66,675,992	61,825,144
1999046	POM Int. A/Port Redev. PJ. (II) cons P8A	JBIC	16,824,366	15,140,794	15,065,062	14,987,399	14,913,352	14,839,305	14,765,258	14,691,211	14,617,164	14,543,117	14,469,070
1999047	Ramu Highway Upgrade Project No. 6 EEC	EECM	30,311,761	29,412,996	30,334,964	31,222,566	32,159,969	33,193,937	34,282,905	35,417,873	36,602,841	37,847,809	39,152,777
1999048	Fisheries Surveillance Pilot PJ.ELEBITUBS	UBFS											
1999049	HEALTH SECTOR DEV. PROGRAM ADB 1516(C)	ADB	142,338,793	127,622,835	126,338,041	124,732,081	122,770,741	120,403,801	117,585,045	114,241,661	110,314,132	105,728,348	101,142,564
1999050	HEALTH SECTOR DEV. PROG. ADB 1517 (SF)	ADB	9,140,651	8,686,723	9,027,210	9,387,146	9,768,663	9,726,323	9,688,368	9,650,892	9,613,683	9,582,908	9,552,133
1999051	HEALTH SECTOR DEV. PROGRAM ADB 1516 (C)	ADB	17,998,672	17,320,968	18,019,874	18,733,052	19,446,230	19,450,332	19,374,017	19,297,978	19,221,939	19,145,899	19,070,860
1999052	El Niño Drought Response PJ. IBRD 4316-U	IBRD	188,492	175,286	175,286	175,286	175,286	175,286	175,286	175,286	175,286	175,286	175,286
1999053	El Niño Drought Response PJ. ID 43160101	IBRD	1,801,546	1,433,737	1,228,919	1,023,930	818,997	614,122	409,412	204,672			
1999054	El Niño Drought Response PJ. ID 43160103	IBRD	789,624	635,520	527,016	427,016	331,275	232,177	153,863	76,453			
1999055	El Niño Drought Response PJ. ID 43160104	IBRD	293,257	240,060	218,110	187,510	157,323	127,573	98,205	69,507	41,227		
1999056	El Niño Drought Response PJ. ID 43160105	IBRD	1,214,446	1,046,146	882,996	718,891	565,890	474,157	352,669	234,292			
1999057	El Niño Drought Response PJ. ID 43160107	IBRD	885,221	809,308	718,174	636,112	546,692	456,916	365,585	275,556	184,397		
1999058	El Niño Drought Response PJ. ID 43160108	IBRD	169,599	154,568	140,549	128,743	111,558	94,395	77,220	60,050	42,884		
1999059	El Niño Drought Response PJ. ID 43160109	IBRD	525,538	483,255	456,230	428,248	395,756	362,727	329,176	291,975	240,135	184,619	
1999060	FMIP Proj. ADB 1703 (OCR)	ADB	45,525,915	43,320,819	41,076,895	40,076,895	40,076,895	40,076,895	40,076,895	40,076,895	40,076,895	40,076,895	40,076,895
1999061	EMPLOYMENT SKILLS DEV. PROJ. ADB 1706(S)	ADB	41,476,078	40,117,602	42,276,218	44,409,125	46,522,388	48,648,506	50,774,624	52,900,742	55,026,860	57,152,978	59,279,096
1999062	ROAD MAINTENANCE & UPGRADE PJ. ADB 1706	IBRD	178,942,791	169,984,011	176,000,520	178,920,740	179,894,880	179,532,488	177,997,514	175,197,412	171,819,523	167,778,820	
1999063	KFW Navigational Aids Phase II	KFWB											
1999064	KFW Upgrading of NAVID SYSTEMS F3256 A	KFWB	14,253,510	11,115,883	8,707,003	6,218,174	3,727,386	1,241,247					
1999065	KFW Upgrading of NAVID SYSTEMS F3256 B	KFWB	1,243,465	963,533	742,601	523,669	304,737	96,805					
1999066	S/HOLDER SUPP. SERV. PILOT PJ. ADB 1652 (O)	ADB	22,929,986	21,571,046	21,714,646	21,658,526	21,439,312	21,167,030	20,834,563	20,482,824	19,953,425	19,385,905	18,718,385
1999067	FISHERIES DEVELOPMENT PJ. ADB 1656 (OC)	ADB	19,882,560	18,553,507	18,483,900	18,163,286	17,836,931	17,659,61					

Table 17: List of External Loans By Creditor				
Creditor	Details	CS-DRMS Loan Key	Instrument Title	pipeline
ADB	ASIAN DEVELOPMENT BANK	1976003	WATER SUPPLY PROJECT ADB 278 (SF)	N
ADB	ASIAN DEVELOPMENT BANK	1977002	E.SEPIK RURAL DEV.PROJECT ADB 290 (SF)	N
ADB	ASIAN DEVELOPMENT BANK	1977003	PROVINCIAL MINI H/POWER PJ.ADB 318 (OCR)	N
ADB	ASIAN DEVELOPMENT BANK	1977004	H/LAND ROAD IMPROVEMENT PROJ.ADB 327	N
ADB	ASIAN DEVELOPMENT BANK	1978003	2ND DEVELOPMENT BANK PROJ.ADB 342(SF)	N
ADB	ASIAN DEVELOPMENT BANK	1978004	SECOND WATER SUPPLY PROJECT ADB 346	N
ADB	ASIAN DEVELOPMENT BANK	1980003	UPPER WARANGOI H/POWER PJ. ADB 414 (OC)	N
ADB	ASIAN DEVELOPMENT BANK	1980004	UPPER WARANGOI HDPOWER PJ.ADB 415	N
ADB	ASIAN DEVELOPMENT BANK	1980005	LAE PORT PROJECT ADB 468 (OCR)	N
ADB	ASIAN DEVELOPMENT BANK	1980006	LAE PORT PROJECT ADB 469 (SF)	N
ADB	ASIAN DEVELOPMENT BANK	1982004	RURAL HEALTH SERVICES PROJ.ADB 586 (OC)	N
ADB	ASIAN DEVELOPMENT BANK	1982005	TECHNICAL EDUCATION PROJ. ADB 551 (OC)	N
ADB	ASIAN DEVELOPMENT BANK	1982006	TECHNICAL EDUCATION PROJ. ADB 552 (SF)	N
ADB	ASIAN DEVELOPMENT BANK	1983003	THIRD DEV. BANK PROJECT ADB 611 (SF)	N
ADB	ASIAN DEVELOPMENT BANK	1983004	THIRD ROAD IMPROVEMENT PJ.ADB 631 (OC)	N
ADB	ASIAN DEVELOPMENT BANK	1984002	CAPE RODNEY SMH. DEV.PROJ. ADB 656 (SF)	N
ADB	ASIAN DEVELOPMENT BANK	1984003	4TH ROAD IMPROV'T SECTOR PJ.ADB 690(OC)	N
ADB	ASIAN DEVELOPMENT BANK	1984004	4TH ROAD IMPRVMT SECTOR PJ.ADB 691 (SF)	N
ADB	ASIAN DEVELOPMENT BANK	1986002	PORTS DEVELOPMENT PROJECT ADB 738 (OC)	N
ADB	ASIAN DEVELOPMENT BANK	1986003	2ND RURAL HEALTH SERVICE PJ.ADB 746 (SF)	N
ADB	ASIAN DEVELOPMENT BANK	1986004	2ND RURAL HEALTH SERVICE PJ.ADB 747(OC)	N
ADB	ASIAN DEVELOPMENT BANK	1987030	WEST NEW BRITAIN SMH. DEV.ADB 784 (SF)	N
ADB	ASIAN DEVELOPMENT BANK	1987031	W.NEW BRITAIN SM/HOLD DEV.ADB 785 (OCR)	N
ADB	ASIAN DEVELOPMENT BANK	1987036	RAMU GRID REINFORCEMENT PJ.ADB 805 (OC)	N
ADB	ASIAN DEVELOPMENT BANK	1988030	E. NEW BRITAIN SM/HOLDER DEV.ADB 853(SF)	N
ADB	ASIAN DEVELOPMENT BANK	1988031	E.NEW BRITAIN SM/HOLDER DEV.ADB 852(OC)	N
ADB	ASIAN DEVELOPMENT BANK	1989004	AGRICULTURE SECTOR PROGRAM ADB 997(S)	N
ADB	ASIAN DEVELOPMENT BANK	1989005	AGRICULTURE SECTOR PROGRAM ADB 998 (N)	N
ADB	ASIAN DEVELOPMENT BANK	1990003	INDUSTRIAL CENTRE DEVELOP'T ADB 1024(S)	N
ADB	ASIAN DEVELOPMENT BANK	1990004	TECHNICAL ASSISTANCE PROGRAM ADB 968	N
ADB	ASIAN DEVELOPMENT BANK	1991001	SPECIAL INTERVENTION PROJ. ADB 1054(SF)	N
ADB	ASIAN DEVELOPMENT BANK	1991009	3rd RURAL HEALTH SERVICES ADB 1097(SF)	N
ADB	ASIAN DEVELOPMENT BANK	1991012	AGRIC. RESEARCH & EXTENSION ADB 1110 (S)	N
ADB	ASIAN DEVELOPMENT BANK	1992001	TRANSPORT INFR.DEV.PROJECT ADB 1153(OC)	N
ADB	ASIAN DEVELOPMENT BANK	1992002	TRANSPORT INF.DEV.PROJECT ADB 1154 (SF)	N
ADB	ASIAN DEVELOPMENT BANK	1993002	3RD URBAN WATER SUPPLY PJ.ADB 1211 (OC)	N
ADB	ASIAN DEVELOPMENT BANK	1993003	HIGHER EDUCATION PROJECT ADB 1224 (SF)	N
ADB	ASIAN DEVELOPMENT BANK	1993007	POPULATION & FAMILY PLAN.PJ ADB 1225(SF)	N
ADB	ASIAN DEVELOPMENT BANK	1995003	RABAUL EMERGENCY PROGRAM ADB 1330 (S)	N
ADB	ASIAN DEVELOPMENT BANK	1997001	HEALTH SECTOR DEV. PROGRAM ADB 1516(OC)	N
ADB	ASIAN DEVELOPMENT BANK	1997002	HEALTH SECTOR DEV. PROG. ADB 1517 (SF)	N
ADB	ASIAN DEVELOPMENT BANK	1997003	HEALTH SECTOR DEV. PROGRAM ADB 1518 (S)	N
ADB	ASIAN DEVELOPMENT BANK	1999001	FMIP Proj. ADB 1703 LBL Portion (OCR)	N
ADB	ASIAN DEVELOPMENT BANK	1999002	EMPLOYMENT SKILLS DEV.PROJ.ADB 1706(SF)	N
ADB	ASIAN DEVELOPMENT BANK	1999003	ROAD MAINTENANCE & UPGRAD.PJ.ADB 1709	N
ADB	ASIAN DEVELOPMENT BANK	1999007	S/HOLDER SUPP.SERV.PILOT PJ.ADB 1652 (OC)	N
ADB	ASIAN DEVELOPMENT BANK	1999008	FISHERIES DEVELOPMENT PJ. ADB 1656 (OC)	N
ADB	ASIAN DEVELOPMENT BANK	1999009	FMIP Proj. ADB 1703(OCR) PSCL Portion	N
ADB	ASIAN DEVELOPMENT BANK	2000008	REHAB.OF MARITIME NAVIDA SYS.ADB 1754 (OC)	N
ADB	ASIAN DEVELOPMENT BANK	2001001	PROV.TOWNS WATER SUPPLY & SAN.ADB 18	N
ADB	ASIAN DEVELOPMENT BANK	2001002	MICROFINANCE & EMPLOYMT.PJ. ADB 1768(S)	N
ADB	ASIAN DEVELOPMENT BANK	2001006	PUBLIC SERVICE PROGRAM ADB 1875(OCR)	N
ADB	ASIAN DEVELOPMENT BANK	2002001	Nucleus Agro-Enterprises ADB 1889 (SF)	N
BIMB	EXPORT IMPORT BANK OF MALAYSIA	1993012	BANK INDUSTRI MALAYSIA USD 50 M (BIMB)	N
BOCH	BANK OF CHINA	1985006	Chinese Loan 1 - Waigani Sports Complex	N
BOCH	BANK OF CHINA	1990014	Chinese Loan 2 - Waigani Sports Complex	N
BOCH	BANK OF CHINA	1991008	Chinese Loan 3 - Markham Nat. H School	N
BSAN	BANCO SANTANDER	1991010	CASA CN235M -100 Aircrafts - PNGDF	N
CDCN	COMMONWEALTH DEVELOPMENT CORPORA	1986001	Rouna 4 Hydro-electric scheme CDC	N
CTBC	CHIAO TUNG BANK CO., LTD (TAIWAN)	1993004	3RD URBAN WATER SUPPLY PROJECT -CTB	N
DBAL	DEUTSCHE BANK AG - LONDON	2001003	Yumi Yet Rural Bridge Prog.Loan Facility	N
DBAL	DEUTSCHE BANK AG - LONDON	2001004	YumiYet Bridge 15% Credit Facility	N
EECM	EUROPEAN COMMUNITY (EC)	1982008	Beef Cattle Ranching EEC	N
EECM	EUROPEAN COMMUNITY (EC)	1983006	Hiritano Highway EEC	N
EECM	EUROPEAN COMMUNITY (EC)	1983008	Regional Telecommunications Network EEC	N
EECM	EUROPEAN COMMUNITY (EC)	1984007	Livestock & Crops In Huris Region EEC	N
EECM	EUROPEAN COMMUNITY (EC)	1984008	Magi Highway EEC	N
EECM	EUROPEAN COMMUNITY (EC)	1986023	KIMBE TALASEA ROAD EEC	N
EECM	EUROPEAN COMMUNITY (EC)	1990007	Vailala to Rigo Road EEC	N
EECM	EUROPEAN COMMUNITY (EC)	1990008	Brown River to Veimauri Road EEC	N
EECM	EUROPEAN COMMUNITY (EC)	1990016	STABEX '88	N
EECM	EUROPEAN COMMUNITY (EC)	1992008	ROADS & BRIDGES REH. PROGRAMME EEC	N
EECM	EUROPEAN COMMUNITY (EC)	1996112	Ramu Highway Upgrading Project No. 6 EEC	N
EIBK	EUROPEAN INVESTMENT BANK	1982007	Pacific Forum Line Project EIB	N
EIBK	EUROPEAN INVESTMENT BANK	1986019	YONKI HYDRO-ELECTRIC PROJECT EIB	N
EIBK	EUROPEAN INVESTMENT BANK	1988003	EIB POLIAMBA TREECROPS PROJECT	N
EIBK	EUROPEAN INVESTMENT BANK	1993008	EIB ELCOM Power Transmission Project	N
EXIK	EUROPEAN INVESTMENT BANK	1995007	WEWAK STORMWATER PROJECT (EXIM KOR)	N
EXIK	EUROPEAN INVESTMENT BANK	2000009	PNG-HALLA CEMENT LTD	N
FRTR	FRENCH TREASURY	1981006	French Protocol/Treasury 225 -0A1	N
FRTR	FRENCH TREASURY	1999050	Converted from FRF 1981006 - 225 0A1	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION &	1984001	Secondary Education Project IBRD 2395	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION &	1985001	W/Sepik Provincial Dev.Proj. IBRD 2475	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION &	1985002	Milne Bay S/Holder Dev.Proj. IBRD 2608	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION &	1986005	3rd Agricultural Credit Proj. IBRD 2624	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION &	1987033	TRANSPORT IMPROVEMENT PROJECT IBRD 2	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION &	1987034	YONKI HYDRO-ELECTRIC PROJECT IBRD 272	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION &	1989006	Land Mobilization Project IBRD 3051	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION &	1990001	Structural Adjustment Program IBRD 3218	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION &	1990009	Third Telecom Project IBRD 3154	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION &	1991002	Special Intervention Program IBRD 3289	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION &	1991003	Public Sector Training Proj. IBRD 3290	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION &	1993001	ORO SM/HOLDER OIL PALM PROJ. IBRD 3485	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION &	1993005	EDUCATION DEVELOPMENT PROJ IBRD 3537	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION &	1993006	POPULATION & FAMILY PLANN.PROJ.IBRD 355	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION &	1994003	PET. EXPL. & DEV. T/A P.J. IBRD 3670	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION &	1995008	Economic Recovery Program Loan IBRD 3934	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION &	1998001	EI Nine Drought Response Pjt IBRD 4316-U	N

Table 17: List of External Loans By Creditor				
Creditor	Details	CS-DRMS Loan Key	Instrument Title	pipeline
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT	1998003	El Nino Drought Response Pjt ID 43160103	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT	1998004	El Nino Drought Response Pjt ID 43160104	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT	1998005	El Nino Drought Response Pjt ID 43160105	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT	1998006	El Nino Drought Response Pjt ID 43160107	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT	1998007	El Nino Drought Response Pjt ID 43160108	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT	1998008	El Nino Drought Response Pjt ID 43160109	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT	1998010	El Nino Drought Response Pjt IBRD 4316-F	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT	2000003	Mining Sector Strengthening Pj. IBRD 7018	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT	2000004	Gas Dev. and Utilization Proj. IBRD 7019	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT	2000005	GOVERNANCE PROMOTION ADJUSTMT	IBRD
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT	2000010	2nd Gazelle Restoration Pj. IBRD 4525-F	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT	2000011	2nd Gazelle Restoration Pj. IBRD 4525-U	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT	2000012	2nd Gazelle Restoration Pj. ID 45250101	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT	2000016	2nd Gazelle Restoration Pj. ID 45250103	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT	2000017	2nd Gazelle Restoration Pj. ID 45250104	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT	2000018	2nd Gazelle Restoration Pj. ID 45250105	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT	2000019	2nd Gazelle Restoration Pj. ID 45250106	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT	2001017	FORESTRY AND CONSERVATION Pj. IBRD 709	N
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT	2002002	ROAD MAINTENANCE & REHAB.Pj. IBRD 7119	N
IDAS	INTERNATIONAL DEVELOPMENT ASSOCIATION	1970002	Highlands Highway Project IDA 204	N
IDAS	INTERNATIONAL DEVELOPMENT ASSOCIATION	1970003	AGRICULTURAL DEV.PROJ. IDA 175	N
IDAS	INTERNATIONAL DEVELOPMENT ASSOCIATION	1972002	Ports Project IDA 326	N
IDAS	INTERNATIONAL DEVELOPMENT ASSOCIATION	1973001	Sm/Holder livestock Credit Proj.IDA 348	N
IDAS	INTERNATIONAL DEVELOPMENT ASSOCIATION	1976002	Education Project IDA 661	N
IDAS	INTERNATIONAL DEVELOPMENT ASSOCIATION	1977001	2nd Highlands Road Improv.Proj. IDA 677	N
IDAS	INTERNATIONAL DEVELOPMENT ASSOCIATION	1978002	Rural Dev.Proj. (S/Highlands) IDA 841	N
IDAS	INTERNATIONAL DEVELOPMENT ASSOCIATION	1980002	Third Highway Project IDA 1030	N
IDAS	INTERNATIONAL DEVELOPMENT ASSOCIATION	1981002	2nd Agricultural Credit Proj. IDA 1149	N
IDAS	INTERNATIONAL DEVELOPMENT ASSOCIATION	1981003	Primary Education Project IDA 1087	N
IDAS	INTERNATIONAL DEVELOPMENT ASSOCIATION	1982002	Enga Province Dev.Project IDA 1227	N
IDAS	INTERNATIONAL DEVELOPMENT ASSOCIATION	1982003	Petroleum Exploration T/A Proj.IDA 1279	N
IFAD	INTERNATIONAL FUND FOR AGRICULTURE DEVELOPMENT	1983009	Artisanal Fisheries Project IFAD 113-PN	N
IFAD	INTERNATIONAL FUND FOR AGRICULTURE DEVELOPMENT	1987035	SOUTH SIMBU RURAL DEV.PROJ. IFAD PN-192	N
IFAD	INTERNATIONAL FUND FOR AGRICULTURE DEVELOPMENT	1994002	NORTH SIMBU RURAL DEV.PROJ. IFAD PN-326	N
JBIC	JAPAN BANK FOR INTERNATIONAL COOPERATION	1979008	GOROKA Sewerage Proj. OECF/PN-1-1	N
JBIC	JAPAN BANK FOR INTERNATIONAL COOPERATION	1979009	WABAG Water Supply Project OECF/PN-1-2	N
JBIC	JAPAN BANK FOR INTERNATIONAL COOPERATION	1979001	Warangoi Hydro-electric Pro.OECF/PN-1-3	N
JBIC	JAPAN BANK FOR INTERNATIONAL COOPERATION	1983010	Rouna 4 Hydro-electric Proj. OECF/PN-P2	N
JBIC	JAPAN BANK FOR INTERNATIONAL COOPERATION	1987002	YONKI HYDROELECTRIC PROJ. OECF PN-P3	N
JBIC	JAPAN BANK FOR INTERNATIONAL COOPERATION	1988037	POM INT'L AIRPORT REDEV.PROJ.OECF PN-P4	N
JBIC	JAPAN BANK FOR INTERNATIONAL COOPERATION	1988038	AGRICULTURE DEV. PROJECT OECF PN-P5	N
JBIC	JAPAN BANK FOR INTERNATIONAL COOPERATION	1991004	National Road Improv.Project OECF PN-P7	N
JBIC	JAPAN BANK FOR INTERNATIONAL COOPERATION	1991005	Agriculture Sector Program OECF PN-C1	N
JBIC	JAPAN BANK FOR INTERNATIONAL COOPERATION	1991006	Trans Islands Highway (I) OECF PN-P6-1	N
JBIC	JAPAN BANK FOR INTERNATIONAL COOPERATION	1991007	Trans Islands Highway (II) OECF PN-P6-2	N
JBIC	JAPAN BANK FOR INTERNATIONAL COOPERATION	1992003	STRUCTURAL ADJUSTMENT LOAN - OECF PN-C2	N
JBIC	JAPAN BANK FOR INTERNATIONAL COOPERATION	1995004	JEXIM IMF PARALLEL LOAN TO PNG	N
JBIC	JAPAN BANK FOR INTERNATIONAL COOPERATION	1996001	POM Int. A/port Redev. Pj.(II) EQP PN-P8	N
JBIC	JAPAN BANK FOR INTERNATIONAL COOPERATION	1996002	POM Int. A/Port Redev. Pj. (II) cons P8A	N
JBIC	JAPAN BANK FOR INTERNATIONAL COOPERATION	2000006	STRUCTURAL ADJUSTMENT PROG-JBIC PN-C3	N
KFAE	KUWAIT FUND FOR ARAB ECONOMIC DEVELOPMENT	1987037	WATABUNG-CHUAVE ROAD - KFAED 332	N
KFWB	KREDITANSTALT FUR WIEDERAUFBAU	1980007	Access Road Iwle-Balima (Bialla) KFW	N
KFWB	KREDITANSTALT FUR WIEDERAUFBAU	1983005	Water Supply/Sewerage 1 KFW	N
KFWB	KREDITANSTALT FUR WIEDERAUFBAU	1984006	OK Tedi Mine - Access Road KFW	N
KFWB	KREDITANSTALT FUR WIEDERAUFBAU	1990002	Navigational Aid Program KFW	N
KFWB	KREDITANSTALT FUR WIEDERAUFBAU	1999004	KFW Navigational Aids Phase II	N
KFWB	KREDITANSTALT FUR WIEDERAUFBAU	1999005	KFW Upgrading of NAVAID Systems -F3256 A	N
KFWB	KREDITANSTALT FUR WIEDERAUFBAU	1999006	KFW Upgrading of NAVAID System -F3256 B	N
KFWB	KREDITANSTALT FUR WIEDERAUFBAU	2001007	Access Road Iwle-Balima - 1980007	N
KFWB	KREDITANSTALT FUR WIEDERAUFBAU	2001008	Water Supply/Sewerage - from 1983005	N
KFWB	KREDITANSTALT FUR WIEDERAUFBAU	2001009	OK Tedi Mine Access Road - from 1984006	N
KFWB	KREDITANSTALT FUR WIEDERAUFBAU	2001010	Navigational Aid Program 6.1m - 1990002	N
KFWB	KREDITANSTALT FUR WIEDERAUFBAU	2001011	Navigational Aid - 3.2 m - 1990002	N
KFWB	KREDITANSTALT FUR WIEDERAUFBAU	2001012	Air Traffic Control Tower Tokua-1995001	N
KFWB	KREDITANSTALT FUR WIEDERAUFBAU	2001013	Navigational Aid Suppl. Agg - 1995002	N
KFWB	KREDITANSTALT FUR WIEDERAUFBAU	2001014	Navigational Aid Phase II - 1999004 KFW	N
KFWB	KREDITANSTALT FUR WIEDERAUFBAU	2001015	Nationwide Satellite Com.Sys.KFW F9827-01	N
KFWB	KREDITANSTALT FUR WIEDERAUFBAU	2001016	15% Nationwide Satellite C.S KFW F9826-01	N
KFWB	KREDITANSTALT FUR WIEDERAUFBAU	2002004	NAVIGATIONAL AIDS PHASE III KFW	N
OPEC	ORGANIZATION OF THE PETROLEUM EXPORTING COUNTRIES	1982011	TECHNICAL EDUCATION PROJECT OPEC 271	N
OZGT	AUSTRALIAN GOVERNMENT	1975001	RBA InStocks.2006/07/01.2011/07/01.12/07	N
OZGT	AUSTRALIAN GOVERNMENT	1975002	RBA Ins. Stocks Series01/08/2001	N
OZGT	AUSTRALIAN GOVERNMENT	1975003	RBA Inscribed Stocks -7.75% 09/06 & 16	N
OZGT	AUSTRALIAN GOVERNMENT	1975004	RBA Inscribed Stocks - 01/04/2011	N
OZGT	AUSTRALIAN GOVERNMENT	1975005	RBA Inscribed stock - 1/11/01 - 1/11/16	N
OZGT	AUSTRALIAN GOVERNMENT	1975006	RBA Inscribed Stocks - 2011/12/01	N
OZGT	AUSTRALIAN GOVERNMENT	1975007	RBA Inscribed stock - 2016/05/01	N
OZGT	AUSTRALIAN GOVERNMENT	1975008	RBA Inscribed Stocks - 2002/01/01	N
OZGT	AUSTRALIAN GOVERNMENT	1975009	RBA Inscribed STocks - 2017/05/01	N
OZGT	AUSTRALIAN GOVERNMENT	1975010	RBA Inscribed Stocks - 2017/04/01	N
OZGT	AUSTRALIAN GOVERNMENT	1975011	RBA Inscribed stocks -2003/07/01 2005/07	N
OZGT	AUSTRALIAN GOVERNMENT	1975012	RBA Inscribed Stocks - 2009/01/01 5.875%	N
OZGT	AUSTRALIAN GOVERNMENT	1975013	RBA Ins. STocks - 2009/05/01	N
OZGT	AUSTRALIAN GOVERNMENT	1975014	RBA Inscribed Stocks - 2009/10/01	N
OZGT	AUSTRALIAN GOVERNMENT	1975015	RBA Inscribed Stocks - 2012/07/01	N
OZGT	AUSTRALIAN GOVERNMENT	1975200	AGGREGATED RBA AS PTLs	N
OZGT	AUSTRALIAN GOVERNMENT	2000002	Commonwealth of Australia - US\$ 80 Mill	N
OZGT	AUSTRALIAN GOVERNMENT	2000013	IMF Bridging Loan/ USD 30 M-Tranche ONE	N
OZGT	AUSTRALIAN GOVERNMENT	2000014	IMF Bridging loan US\$ 30 M-Tranche TWO	N
OZGT	AUSTRALIAN GOVERNMENT	2000015	IMF Bridging Loan USD 30 M - Tranche 3	N
UBFS	UNION BANK OF SWITZERLAND	1996113	Fisheries Surveillance Pilot Pj.ELBIT/UBS	N