

208 Department of Treasury

(in Millions of Kina)

PIP No.	Project Title	5 Year Total	2009	2010	2011	2012	2013
2735	PNGDMD	.1	.4	.1			
2801	PNG - AUSTRALIA TREA	1.2	.3	.3	.3	.3	.3
TOTAL CAPACITY BUILDING PROJECTS		1.3	.7	.4	.3	.3	.3
TOTAL		1.3	.7	.4	.3	.3	.3

208 Department of Treasury

AGENCY SUMMARY OF ALL PROJECTS

EXPENDITURE PROJECTIONS AND FINANCING REQUIREMENTS (K Millions)

PROJECT COST		2007 Actual	2008	5 Year Total	2009	2010	2011	2012	2013
DIRECT PROJECT COST									
Current Expenditure									
Personal Emoluments									
Current Transfers			.4	1.5	.3	.3	.3	.3	.3
Goods and Other Services			2.5	.5	.4	.1			
Sub-Total			2.9	2.0	.7	.4	.3	.3	.3
Capital Expenditure									
Capital Transfers									
Acquisition of Existing Assets									
Capital Formation									
Sub-Total									
A	TOT DIRECT PROJECT COST		2.9	2.0	.7	.4	.3	.3	.3
Technical Assistance									
Project Preparation									
Equipment									
Advisory									
Training									
B	TOT TECHNICAL ASSISTANCE								
TOTAL PROJECT COST (A+B)			2.9	2.0	.7	.4	.3	.3	.3
FINANCING SOURCES									
IDENTIFIED FINANCING									
Direct Project Financing:									
Government Contributions:									
Loan									
Grant				1.2		.3	.3	.3	.3
b) Self Generating Revenue									
a) Government Input			.4	.1		.1			
C	TOTAL DIRECT FINANCING		.4	1.3		.4	.3	.3	.3
Technical Assistance									
D	TOTAL FINANCING (C+D)		.4	1.3		.4	.3	.3	.3
FINANCING SOUGHT									
Direct Project Cost (A-C)			2.5	.7	.7				
Technical Assistance (B-D)									
TOTAL FINANCING SOUGHT			2.5	.7	.7				

PIP NUMBER: 2735

PROJECT NAME: PNG DEBT MARKETS DEVELOPMENT

EXECUTING AGENCY: Department of Treasury

PROJECT OBJECTIVIES:

The project is aimed at improving the efficiency and competitiveness of the Government's debt market by implementing the three most important feasible improvements identified by stakeholders.

PROJECT STATUS:

This is a new project under the Development Budget and will commence implementation in 2008. However, some pre project achievements have been made in terms of a Memorandum of Understanding signed between the Bank of Papua New Guinea and Treasury and the establishment of Project Steering Committee as well as the establishment of a website link to other Debt Management Office and Organizations.

PROJECT COMPONENTS:

The scope of work for 2009 will include; (1) the better coordination between Treasury, Bank of PNG and IPBC, (2) Review the MOU signed between IPBC and Treasury on the borrowing of SOE's, (3) Timely and standardizd reporting on Government Debt portfolio; (4) ADB Kina Bond Issuance & Road Show, (5) Investor relations program and marketing, (6) Refinement & Upgrading (Auction, Settlement, Registration & Information), and (6) Feasibility Study into Listing on POMSoX.

PROJECT LOCATION:

The project will be located at the Department of Treasury, in Port Moresby.

PROJECT JUSTIFICATION:

The project very much harmonizes the priorities of the MTDS and the Medium Term Debt Strategy in terms of PNG Bond Markets connections to the Private Sector led economic growth.

PROJECT CAPACITY:

The Department of Treasury has contributed to the development of PNG Debt Market Project by providing technical expertise and resources in terms of manpower and funding. The Department will ensure that the project is implemented successfully with support from the relevant stakeholders of the project.

PROJECT SUSTAINABILITY

The project will be sustained through Treasury's annual budget appropriations through the National Budget.

2735 PNG DEBT MARKETS DEVELOPMENT

ESTIMATED TOTAL PROJECT COST 421.0 ESTIMATED DURATION OF THE PROJECT 1.0 Years

EXPENDITURE PROJECTION AND FINANCING REQUIREMENTS (K'000)

PROJECT COST		2007 Actual	2008 Bugdet	5 Year Total	2009	2010	2011	2012	2013
DIRECT PROJECT COST									
Current Expenditure									
Personal Emoluments									
Goods and Other Services				500.0	400.0	100.0			
Current Transfers			400.0						
Sub-Total			400.0	500.0	400.0	100.0			
Capital Expenditure									
Acquisition of Existing Assets									
Capital Formation									
Capital Transfers									
Sub-Total									
A TOT DIRECT PROJECT COST			400.0	500.0	400.0	100.0			
Technical Assistance									
Project Preparation									
Advisory									
Training									
Equipment									
B TOT TECHNICAL ASSISTANCE									
TOTAL PROJECT COST (A+B)			400.0	500.0	400.0	100.0			
FINANCING SOURCES									
IDENTIFIED FINANCING									
Direct Project Financing:									
Government Contributions:									
a) Government Input			400.0	100.0		100.0			
b) Self Generating Revenue									
Loan									
Grant									
C TOTAL DIRECT FINANCING			400.0	100.0		100.0			
D Technical Assistance									
TOTAL FINANCING (C+D)			400.0	100.0		100.0			
FINANCING SOUGHT									
Direct Project Cost (A-C)				400.0	400.0				
Technical Assistance (B-D)									
TOTAL FINANCING SOUGHT				400.0	400.0				

CURRENT DONOR INVOLVEMENT

Nil.

POTENTIAL DONOR INVOLVEMENT
2009 Budget Votes for this PIP are :-

20812012201 DEVELOPMENT OF PNG DEBT MARKETS

PIP NUMBER: 2801

PROJECT NAME: PNG - AUSTRALIA TREASURY TWINNING SCHEME

EXECUTING AGENCY: Department of Treasury

PROJECT OBJECTIVIES:

This project aims to enhance economic governance in PNG by providing PNG officials with training in economic and financial policies and procedures, and to establish co-operative relationships between key Australian and PNG agencies.

PROJECT STATUS:

The project commenced in 1999 and is progressing without any major problem. The project also promotes a long - term relationship between PNG and Australia. It is expected that the project will continue into 2008. Current focus is also on building the capacity of middle-level management in PNG government agencies by improving technical and management skills. It involves the Australian Commonwealth Government departments with their equivalent GOPNG Agencies including the Department of Treasury.

PROJECT COMPONENTS:

Exchange program between staff of the Department of Treasury in PNG and Australian Agencies. Financial Skills transfer Program between staff of Treasury-PNG and Treasury-Australia.

PROJECT LOCATION:

Exchange program between the PNG Treasury Department and counterpart Australian agencies.

PROJECT JUSTIFICATION:

It is an opportunity for officers for both the PNG Treasury Department and the Australian Agencies to acquire new knowledge and skills to enhance their performance in their respective areas.

PROJECT CAPACITY:

The Department of Treasury has the capacity to implement the project with the assistance of Australian counterparts.

PROJECT BENEFICIARIES:

Staff of the Department of Treasury will benefit from the project.

PROJECT SUSTAINABILITY

Both Governments have the capacity to implement the project and thus, sustain the project.

2801 PNG - AUSTRALIA TREASURY TWINNING SCHEME

ESTIMATED TOTAL PROJECT COST 0.0 ESTIMATED DURATION OF THE PROJECT Years

EXPENDITURE PROJECTION AND FINANCING REQUIREMENTS (K'000)

PROJECT COST		2007 Actual	2008 Bugdet	5 Year Total	2009	2010	2011	2012	2013
DIRECT PROJECT COST									
Current Expenditure									
Personal Emoluments									
Goods and Other Services			2,461.8						
Current Transfers				1,500.0	300.0	300.0	300.0	300.0	300.0
Sub-Total			2,461.8	1,500.0	300.0	300.0	300.0	300.0	300.0
Capital Expenditure									
Acquisition of Existing Assets									
Capital Formation									
Capital Transfers									
Sub-Total									
A	TOT DIRECT PROJECT COST		2,461.8	1,500.0	300.0	300.0	300.0	300.0	300.0
Technical Assistance									
Project Preparation									
Advisory									
Training									
Equipment									
B	TOT TECHNICAL ASSISTANCE								
TOTAL PROJECT COST (A+B)			2,461.8	1,500.0	300.0	300.0	300.0	300.0	300.0
FINANCING SOURCES									
IDENTIFIED FINANCING									
Direct Project Financing:									
Government Contributions:									
a) Government Input									
b) Self Generating Revenue									
Loan									
Grant				1,200.0		300.0	300.0	300.0	300.0
C	TOTAL DIRECT FINANCING			1,200.0		300.0	300.0	300.0	300.0
Technical Assistance									
D	TOTAL FINANCING (C+D)			1,200.0		300.0	300.0	300.0	300.0
FINANCING SOUGHT									
Direct Project Cost (A-C)			2,461.8	300.0	300.0				
Technical Assistance (B-D)									
TOTAL FINANCING SOUGHT			2,461.8	300.0	300.0				

CURRENT DONOR INVOLVEMENT

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POTENTIAL DONOR INVOLVEMENT

2009 Budget Votes for this PIP are :-