

## 217 Department of Foreign Affairs and Trade

(in Millions of Kina)

PIP No.	Project Title	5 Year Total	2009	2010	2011	2012	2013
2754	Trade Related Assist	6.3	1.4	1.4	1.4	1.0	1.0
TOTAL CAPACITY BUILDING PROJECTS		6.3	1.4	1.4	1.4	1.0	1.0
TOTAL		6.3	1.4	1.4	1.4	1.0	1.0

## 217 Department of Foreign Affairs and Trade

## 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									
<b>Current Expenditure</b>									
Personal Emoluments									
Current Transfers				6.3	1.4	1.4	1.4	1.0	1.0
Goods and Other Services									
Sub-Total				6.3	1.4	1.4	1.4	1.0	1.0
<b>Capital Expenditure</b>									
Capital Transfers									
Acquisition of Existing Assets									
Capital Formation									
Sub-Total									
A	TOT DIRECT PROJECT COST			6.3	1.4	1.4	1.4	1.0	1.0
<b>Technical Assistance</b>									
Project Preparation									
Equipment									
Advisory									
Training									
B	TOT TECHNICAL ASSISTANCE								
<b>TOTAL PROJECT COST (A+B)</b>				6.3	1.4	1.4	1.4	1.0	1.0
<b>FINANCING SOURCES</b>									
IDENTIFIED FINANCING									
<b>Direct Project Financing:</b>									
<b>Government Contributions:</b>									
Loan									
Grant				5.4	1.1	1.1	1.1	1.0	1.0
b) Self Generating Revenue									
a) Government Input				.9	.3	.3	.3		
C	TOTAL DIRECT FINANCING			6.3	1.4	1.4	1.4	1.0	1.0
<b>Technical Assistance</b>									
D	<b>TOTAL FINANCING (C+D)</b>			6.3	1.4	1.4	1.4	1.0	1.0
<b>FINANCING SOUGHT</b>									
Direct Project Cost (A-C)									
Technical Assistance (B-D)									
<b>TOTAL FINANCING SOUGHT</b>									

**PIP NUMBER:** 2754

**PROJECT NAME:** TRADE RELATED ASSISTANCE

**EXECUTING AGENCY:** Department of Foreign Affairs and Trade

**PROJECT OBJECTIVES:**

The objective of the project is to support PNG in benefiting more from international trade with a view to increase growth and thereby contribute to poverty reduction. The project is also to support PNG in strengthening capacity building for trade related policy formulation analysis, administration and negotiations as well as through integration of trade aspects into PNG's development and sectoral strategies and through export development and promotion activities.

**PROJECT STATUS:**

The project has been fully EU funded in 2008 and thus limited progress has been made. GoPNG counterpart funding was not reflected in 2008.

**PROJECT COMPONENTS:**

The project has three main components: Support to capacity building in the Trade Division for trade policy formulation and implementation; Strengthening Standards and Certification Bodies including funding laboratory and testing equipment; Support to export promotion activities.

**PROJECT LOCATION:**

The project will be located at the Trade Division of the Department of Foreign Affairs and Trade Headquarters in Port Moresby, NCD.

**PROJECT JUSTIFICATION:**

The Department of Foreign Affairs & Trade is the official body mandated to handle trade policy and is primary responsible for representing PNG in all multilateral, regional & bilateral trade fora. Trade and Economic integration into the globalised economy inevitability has both a broad and deep impact on many sectors of the economy however and it is essential for there to be broad based participation and support for the work of the DFAT involving active participation of all economic sector representatives. GOPNG has taken to address the weaknesses in its early approach to EPA. The project is consistent with the mandate accorded to the DFAT by NEC Decision.

**PROJECT CAPACITY:**

The contracting authority for the project is National Authorising Officer, with the Deputy NAO being the Secretary, DNPM. The Project Supervisor is the Secretary, Department of Foreign Affairs and Trade with his appointee the Director of Trade Division as the Chairman of the Project Steering Committee to oversight the implementation of the project.

**PROJECT BENEFICIARIES:**

The Trade Division within DFAT is the direct beneficiary of the technical assistance. Capacity building will enhance trade negotiation within the Trade Division. Other Departments and line agencies will also benefit since officers of these agencies will gain experience and training in the area of international trade negotiations including, NFA, IPA, DAL, DEC, PNGFA and Justice & Attorney General.

**2754 TRADE RELATED ASSISTANCE**

ESTIMATED TOTAL PROJECT COST 5,300.0 ESTIMATED DURATION OF THE PROJECT 2.0 Years

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

PROJECT COST		2007 Actual	2008 Budget	5 Year Total	2009	2010	2011	2012	2013
<b>DIRECT PROJECT COST</b>									
<b>Current Expenditure</b>									
Personal Emoluments									
Goods and Other Services									
Current Transfers				6,285.2	1,428.4	1,428.4	1,428.4	1,000.0	1,000.0
Sub-Total				6,285.2	1,428.4	1,428.4	1,428.4	1,000.0	1,000.0
<b>Capital Expenditure</b>									
Acquisition of Existing Assets									
Capital Formation									
Capital Transfers									
Sub-Total									
A	TOT DIRECT PROJECT COST			6,285.2	1,428.4	1,428.4	1,428.4	1,000.0	1,000.0
<b>Technical Assistance</b>									
Project Preparation									
Advisory									
Training									
Equipment									
B	TOT TECHNICAL ASSISTANCE								
<b>TOTAL PROJECT COST (A+B)</b>				6,285.2	1,428.4	1,428.4	1,428.4	1,000.0	1,000.0
<b>FINANCING SOURCES</b>									
<b>IDENTIFIED FINANCING</b>									
<b>Direct Project Financing:</b>									
<b>Government Contributions:</b>									
a) Government Input				900.0	300.0	300.0	300.0		
b) Self Generating Revenue									
Loan									
Grant				5,385.2	1,128.4	1,128.4	1,128.4	1,000.0	1,000.0
C	TOTAL DIRECT FINANCING			6,285.2	1,428.4	1,428.4	1,428.4	1,000.0	1,000.0
<b>Technical Assistance</b>									
D	<b>TOTAL FINANCING (C+D)</b>			6,285.2	1,428.4	1,428.4	1,428.4	1,000.0	1,000.0
<b>FINANCING SOUGHT</b>									
Direct Project Cost (A-C)									
Technical Assistance (B-D)									
<b>TOTAL FINANCING SOUGHT</b>									

**CURRENT DONOR INVOLVEMENT**

The project is co-funded by the Government of PNG and the European Union.

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

21713011201 TRADE RELATED ASSISTANCE