

254 Department of Mineral Policy and Geohazards Management

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									
Goods and Other Services			1.2	8.1	2.1	2.0	2.0	1.0	1.0
Sub-Total			1.2	8.1	2.1	2.0	2.0	1.0	1.0
Capital Expenditure									
Capital Transfers									
Acquisition of Existing Assets									
Capital Formation									
Sub-Total									
A	TOT DIRECT PROJECT COST		1.2	8.1	2.1	2.0	2.0	1.0	1.0
Technical Assistance									
Project Preparation									
Equipment									
Advisory									
Training									
B	TOT TECHNICAL ASSISTANCE								
TOTAL PROJECT COST (A+B)			1.2	8.1	2.1	2.0	2.0	1.0	1.0
FINANCING SOURCES									
IDENTIFIED FINANCING									
Direct Project Financing:									
Government Contributions:									
Loan									
Grant			1.2	7.1	1.1	2.0	2.0	1.0	1.0
b) Self Generating Revenue									
a) Government Input									
C	TOTAL DIRECT FINANCING		1.2	7.1	1.1	2.0	2.0	1.0	1.0
Technical Assistance									
D	TOTAL FINANCING (C+D)		1.2	7.1	1.1	2.0	2.0	1.0	1.0
FINANCING SOUGHT									
Direct Project Cost (A-C)				1.0	1.0				
Technical Assistance (B-D)									
TOTAL FINANCING SOUGHT				1.0	1.0				

PIP NUMBER: 2769

PROJECT NAME: LIHIR MOA

EXECUTING AGENCY: Mineral Resources Authority

PROJECT OBJECTIVIES:

To honour State commitments in the Lihir mining MOA. The overall objective of the project is to ensure smooth operation of the mining operations.

PROJECT STATUS:

The revised Lihir MOA review has been successfully completed after 7 years of negotiations. Major commitments in the Lihir MOA have been met annually. Lihir High School is in the final stages of completion of completion and funds from 2009 would be used for this purpose together with other infrastructure commitments in the MOA. The Lihir Ring Road upgrading is progressing with feasibility studies being undertaken with full scoping to be carried out before work began

PROJECT COMPONENTS:

The main components of the project are: (1) Nimamar Development Authority (NDA) Annual Administration Grant; (2) Lihir Resource Centre Grant; (3) Grants to Lihir Medical Centre; Lihir Ring Road Upgrading and sealing feasibility studies; (4) Final construction of Lihir High School; Namatanai Vocational Centre Upgrade and general liaison activities under the MOA.

PROJECT LOCATION:

Lihir Islands of New Ireland Province.

PROJECT JUSTIFICATION:

The MOA commitments are the State's considerations to provide basic infrastructure in lieu of the landowners taking up share equity in the mining project. Besides, the MOA is legally on all parties, with the state being a party. Thus, the state is obliged to honour its commitments. The overall objective of the state's involvement in the development of the project is to ensure its smooth operations.

PROJECT CAPACITY:

The Mineral Resource Authority administers the disbursement of project funds. The capital works of the project are being executed through proper tendering processes by Department of Works. Each of the MOA Projects has a project coordinator who oversees the overall project implementation and also the use of funds under the MOA

PROJECT BENEFICIARIES:

The direct beneficiaries are the people of Lihir Group of Islands and the New Ireland Provincial Government. Provision of this project expenditure allows the Lihir mine to operate smoothly and provide benefits to landowners, and also contributes directly and indirectly to the general welfare and the economy of PNG.

PROJECT SUSTAINABILITY

Given the legality of the project, the National Government will fund and sustain the project through the duration of the Agreement. The cessation of this Agreement would see New Ireland Provincial Government and Lihir Local Level Government taking over the role of maintaining the infrastructure facilities thereon.

2769 LIHIR MOA

ESTIMATED TOTAL PROJECT COST 10,000.0 ESTIMATED DURATION OF THE PROJECT 5.0 Years

EXPENDITURE PROJECTION AND FINANCING REQUIREMENTS (K'000)

PROJECT COST		2007 Actual	2008 Budget	5 Year Total	2009	2010	2011	2012	2013
DIRECT PROJECT COST									
Current Expenditure									
Personal Emoluments									
Goods and Other Services			400.0	840.0	210.0	210.0	210.0	210.0	
Current Transfers			600.0	6,160.0	1,540.0	1,540.0	1,540.0	1,540.0	
Sub-Total			1,000.0	7,000.0	1,750.0	1,750.0	1,750.0	1,750.0	
Capital Expenditure									
Acquisition of Existing Assets									
Capital Formation			3,000.0	5,000.0	1,250.0	1,250.0	1,250.0	1,250.0	
Capital Transfers									
Sub-Total			3,000.0	5,000.0	1,250.0	1,250.0	1,250.0	1,250.0	
A TOT DIRECT PROJECT COST			4,000.0	12,000.0	3,000.0	3,000.0	3,000.0	3,000.0	
Technical Assistance									
Project Preparation									
Advisory									
Training									
Equipment									
B TOT TECHNICAL ASSISTANCE									
TOTAL PROJECT COST (A+B)			4,000.0	12,000.0	3,000.0	3,000.0	3,000.0	3,000.0	
FINANCING SOURCES									
IDENTIFIED FINANCING									
Direct Project Financing:									
Government Contributions:									
a) Government Input			4,000.0	9,000.0		3,000.0	3,000.0	3,000.0	
b) Self Generating Revenue									
Loan									
Grant									
C TOTAL DIRECT FINANCING			4,000.0	9,000.0		3,000.0	3,000.0	3,000.0	
D Technical Assistance									
TOTAL FINANCING (C+D)			4,000.0	9,000.0		3,000.0	3,000.0	3,000.0	
FINANCING SOUGHT									
Direct Project Cost (A-C)				3,000.0	3,000.0				
Technical Assistance (B-D)									
TOTAL FINANCING SOUGHT				3,000.0	3,000.0				

CURRENT DONOR INVOLVEMENT

This MOA is a National Government commitment to the people of Nimarmar Rural LLG therefore it is fully funded by t

POTENTIAL DONOR INVOLVEMENT

There is currently no potential for donor involvement in the future.

2009 Budget Votes for this PIP are :-

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PIP NUMBER: 2936

PROJECT NAME: RABAU VOLCANOLOGICAL OBSERVATORY RELOCATION PROJECT

EXECUTING AGENCY: Department of Mineral Policy and Geohazards Management

PROJECT OBJECTIVIES:

The objective of the project is to facilitate the relocation of the Rabaul Volcanological Observatory facility from Rabaul to Kokopo.

PROJECT STATUS:

This is a new project and will commence implementation in 2009.

PROJECT COMPONENTS:

The project has the following components; (1) Feasibility Study (2) Construction and installation of required infrastructure at the new location to establish the Observatory.

PROJECT LOCATION:

This project is located in Rabaul to be relocated to Kokopo, East New Britain Province.

PROJECT JUSTIFICATION:

The Rabaul Volcanological Observatory facility was established to monitor volcanic seismic activities within the vicinity of active volcanoes to ensure that residents living in the vicinity of volcanoes are warned and evacuated in time. Due to constant seismic activities at the current location, it has become risky to retain the RVO facilities there, hence the need to relocate to a new location is necessary. The new RVO facilities will now be established at Kokopo as per this budget submission for funding consideration by the National Government.

PROJECT CAPACITY:

This is a new project for the relocation from the existing location in Rabaul to Putput in Kokopo. The Department of Mineral Policy & Geo-hazards has the capacity to implement the project as the Department has personnel who have worked on the previous funded projects related to this observatory infrastructure.

PROJECT BENEFICIARIES:

Direct beneficiaries of the project will be the Department of Mineral Policy & Geo-hazard Management in terms of the training for its personnel and the assets. Other direct beneficiaries will be the people who live within the vicinity of active volcanoes.

PROJECT SUSTAINABILITY

The project after completion will be sustained by the National Government through the Department of Mineral Policy & Geo-hazards.

2936 RABAU VOLCANOLOGICAL OBSERVATORY RELOCATION PROJECT

ESTIMATED TOTAL PROJECT COST 6,000.0 ESTIMATED DURATION OF THE PROJECT 2.0 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									
Current Transfers									
Sub-Total									
Capital Expenditure									
Acquisition of Existing Assets									
Capital Formation									
Capital Transfers									
Sub-Total									
A	TOT DIRECT PROJECT COST								
Technical Assistance									
Project Preparation									
Advisory									
Training									
Equipment									
B	TOT TECHNICAL ASSISTANCE								
TOTAL PROJECT COST (A+B)									
FINANCING SOURCES									
IDENTIFIED FINANCING									
Direct Project Financing:									
Government Contributions:									
a) Government Input									
b) Self Generating Revenue									
Loan									
Grant									
C	TOTAL DIRECT FINANCING								
Technical Assistance									
D	TOTAL FINANCING (C+D)								
FINANCING SOUGHT									
Direct Project Cost (A-C)									
Technical Assistance (B-D)									
TOTAL FINANCING SOUGHT									

CURRENT DONOR INVOLVEMENT

Nil donor involvement.

POTENTIAL DONOR INVOLVEMENT

None.

2009 Budget Votes for this PIP are :-

PIP NUMBER: 2969

PROJECT NAME: RABAUl VOLCANOLOGICAL OBSERVATORY TWINNING PROGRAM

EXECUTING AGENCY: Department of Mineral Policy and Geohazards Management

PROJECT OBJECTIVIES:

To provide Technical Assistance and equipment to the Rabaul Volcanological observatory to monitor, identify and document the country's complex geological environment and to provide sound advice to the government and the public of potential geological hazards.

PROJECT STATUS:

It is part of an ongoing project that is in place to monitor the volcanic activities. The project commenced in June 1996 and is expected to be completed in June 1999. However, the project has been further expended indefinately over the last couple of years.

PROJECT COMPONENTS:

The project has the following components; (1) the provision of technical assistance, and (2) supply of observatory equipment.

PROJECT LOCATION:

The project is located in Rabaul, East New Britain Province.

PROJECT JUSTIFICATION:

The recent Rabaul volcanic eruption has made it necessary for the observatory to be well equipped and staff well trained for future volcanic eruptions to ensure the residents living in the vacinity of the volcanoes are warned and evacuated in time.

PROJECT CAPACITY:

This is an ongoing project and the Department of Mineral Policy & Geo-Hazard Management has the capacity to implement the project.

PROJECT BENEFICIARIES:

Direct beneficiaries of the project will be the Department of Mineral Policy & Geo-Hazard Management in terms of trained personnel. Other direct beneficiaries will be the people who live within the vacinity of active volcanoes.

PROJECT SUSTAINABILITY

With the training involved under the project, the project will be sustained over time by when the project phases out.

2969 RABAU VOLCANOLOGICAL OBSERVATORY TWINNING PROGRAM

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				5,055.1	1,055.1	1,000.0	1,000.0	1,000.0	1,000.0
Current Transfers									
Sub-Total				5,055.1	1,055.1	1,000.0	1,000.0	1,000.0	1,000.0
Capital Expenditure									
Acquisition of Existing Assets									
Capital Formation									
Capital Transfers									
Sub-Total									
A	TOT DIRECT PROJECT COST			5,055.1	1,055.1	1,000.0	1,000.0	1,000.0	1,000.0
Technical Assistance									
Project Preparation									
Advisory									
Training									
Equipment									
B	TOT TECHNICAL ASSISTANCE								
TOTAL PROJECT COST (A+B)				5,055.1	1,055.1	1,000.0	1,000.0	1,000.0	1,000.0
FINANCING SOURCES									
IDENTIFIED FINANCING									
Direct Project Financing:									
Government Contributions:									
a) Government Input									
b) Self Generating Revenue									
Loan									
Grant				5,055.1	1,055.1	1,000.0	1,000.0	1,000.0	1,000.0
C	TOTAL DIRECT FINANCING			5,055.1	1,055.1	1,000.0	1,000.0	1,000.0	1,000.0
Technical Assistance									
D	TOTAL FINANCING (C+D)			5,055.1	1,055.1	1,000.0	1,000.0	1,000.0	1,000.0
FINANCING SOUGHT									
Direct Project Cost (A-C)									
Technical Assistance (B-D)									
TOTAL FINANCING SOUGHT									

CURRENT DONOR INVOLVEMENT

AusAID is currently fully funding the project.

POTENTIAL DONOR INVOLVEMENT

There is no potential for other donor involvement but AusAID.

2009 Budget Votes for this PIP are :-

25434013202 RABAU VOLCANOLOGICAL OBSERVATORY TWINNING