

(in Millions of Kina)

PIP No.	Project Title	5 Year Total	2010	2011	2012	2013	2014
2765	OK TEDI MOA	1.8	.6	.5	.4	.3	
2766	WHV MOA	.9	.3	.2	.2	.2	
2767	RN MOA	11.2	4.2	3.2	2.3	1.5	
2768	KAINANTU	2.4	.9	.7	.5	.3	
2769	LIHIR	32.8	10.0	8.6	7.6	6.6	
2770	PORGERA	8.6	3.2	2.3	1.8	1.3	
2771	MSM MOA	3.0	.9	.8	.7	.6	
2772	SIM MOA	5.2	1.7	1.5	1.0	1.0	
2774	EU SYSMIN PROJECT	33.5	11.0	9.5	7.5	5.5	
2968	MINING SECTOR INSTIT	51.5	20.0	17.0	14.5		
TOTAL CAPACITY BUILDING PROJECTS		150.9	52.8	44.3	36.5	17.3	
2803	SOL	1.1	.4	.3	.3	.2	
TOTAL CAPITAL PROJECTS		1.1	.4	.3	.3	.2	
TOTAL		152.0	53.2	44.6	36.8	17.5	

## 535 Mineral Resources Authority

## AGENCY SUMMARY OF ALL PROJECTS

## EXPENDITURE PROJECTIONS AND FINANCING REQUIREMENTS (K Millions)

PROJECT COST		2008 Actual	2009	5 Year Total	2010	2011	2012	2013	2014
DIRECT PROJECT COST									
<b>Current Expenditure</b>									
Personal Emoluments									
Current Transfers			6.0	22.0	9.3	5.7	4.2	2.8	
Goods and Other Services			9.5	11.0	2.5	3.5	2.7	2.3	
Sub-Total			15.5	33.0	11.8	9.2	6.9	5.1	
<b>Capital Expenditure</b>									
Capital Transfers									
Acquisition of Existing Assets									
Capital Formation			55.6	118.9	41.2	35.4	29.9	12.4	
Sub-Total			55.6	118.9	41.2	35.4	29.9	12.4	
A TOT DIRECT PROJECT COST			71.1	151.9	53.0	44.6	36.8	17.5	
<b>Technical Assistance</b>									
Project Preparation									
Equipment									
Advisory									
Training									
B TOT TECHNICAL ASSISTANCE									
<b>TOTAL PROJECT COST (A+B)</b>			71.1	151.9	53.0	44.6	36.8	17.5	
<b>FINANCING SOURCES</b>									
IDENTIFIED FINANCING									
<b>Direct Project Financing:</b>									
<b>Government Contributions:</b>									
Loan			28.7	18.2	18.2				
Grant			31.0	10.5	10.5				
b) Self Generating Revenue									
a) Government Input			6.3	123.2	24.3	44.6	36.8	17.5	
C TOTAL DIRECT FINANCING			66.0	151.9	53.0	44.6	36.8	17.5	
<b>Technical Assistance</b>									
<b>D TOTAL FINANCING (C+D)</b>			66.0	151.9	53.0	44.6	36.8	17.5	
<b>FINANCING SOUGHT</b>									
Direct Project Cost (A-C)			5.1						
Technical Assistance (B-D)									
<b>TOTAL FINANCING SOUGHT</b>			5.1						

**PIP NUMBER:** 2765

**PROJECT NAME:** OK TEDI MOA

**EXECUTING AGENCY:** Mineral Resources Authority

**PROJECT OBJECTIVIES:**

To comply with the MOA expenditure committments of the State as agreed to in the Ok Tedi MOA between the State and the Landowners associated with Ok Tedi Mine Project.

**PROJECT STATUS:**

The project components identified with the Ok Tedi Memorandum of Agreement are ongoing/recurrent activities that would require ongoing funding support from the National Government as per the agreement that is in place. The project has being satisfactorily implemented in the past and will continue on till mine closure.

**PROJECT COMPONENTS:**

The project component includes; 1. Kiunga Water and Sewerage Agreement (2) Ok Tedi Mine Closure; (3) Quarterly reveiw meetings and general liaison activities.

**PROJECT LOCATION:**

Tabubil, Western Province.

**PROJECT JUSTIFICATION:**

The MOA was signed between the State, Western Provincial Government and the OK Tedi Landowners on 11 January 1991, and subsequently the " Restated Eighth Supplementary Agreement in 1996. The MOA commitments are the State's consideration to provide basic infrastructure in-leu of the landowners taking up share equity in the Copper Mine Project. The mine creates income, wealth, jobs and business development opportunities as well as providing social (health /education and transport infrastructure to once remote areas.The MOA is a legal instrument and its commitments are therefore legally binding on all parties to the agreement.

**PROJECT CAPACITY:**

The project has being satisfactorily implemented in the past. This shows that the Department of Mining will continue to provide the same support in implementing the project in the future. The coordination efforts are critical to allow for a coordniated Mine Closure Planning Process.

**PROJECT BENEFICIARIES:**

The direct beneficiaries are the people of the Tabubil District of Western Province. Provision of this expenditure allows the Ok Tedi Mine to operate smoothly and avoids and related disruptions that could be caused by the landowners for lack of commitment to the MOA by the National Government. The National Government and the people of PNG in turn benefit from the revenue generated by the Mine and other spin- off benefits. The OK Tedi Mining Project will continue to generate the various benefits into the future during the Mine Life.

**PROJECT SUSTAINABILITY**

The expenditures are investment related as it is directed towards infrastructure construction and other mining liaison activities. The project will continue to be sustained through the eventual transfer of the infrastructure and service facilities to the Fly River Provincial Administration.

2765 OK TEDI MOA

ESTIMATED TOTAL PROJECT COST 0.0 ESTIMATED DURATION OF THE PROJECT Years

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

PROJECT COST		2008 Actual	2009 Budget	5 Year Total	2010	2011	2012	2013	2014
DIRECT PROJECT COST									
<b>Current Expenditure</b>									
Personal Emoluments									
Goods and Other Services			650.0	1,830.0	630.0	500.0	400.0	300.0	
Current Transfers			230.0						
Sub-Total			880.0	1,830.0	630.0	500.0	400.0	300.0	
<b>Capital Expenditure</b>									
Acquisition of Existing Assets									
Capital Formation			120.0						
Capital Transfers									
Sub-Total			120.0						
A	TOT DIRECT PROJECT COST		1,000.0	1,830.0	630.0	500.0	400.0	300.0	
<b>Technical Assistance</b>									
Project Preparation									
Advisory									
Training									
Equipment									
B	TOT TECHNICAL ASSISTANCE								
<b>TOTAL PROJECT COST (A+B)</b>			1,000.0	1,830.0	630.0	500.0	400.0	300.0	
<b>FINANCING SOURCES</b>									
IDENTIFIED FINANCING									
<b>Direct Project Financing:</b>									
<b>Government Contributions:</b>									
a) Government Input			1,000.0	1,830.0	630.0	500.0	400.0	300.0	
b) Self Generating Revenue									
Loan									
Grant									
C	TOTAL DIRECT FINANCING		1,000.0	1,830.0	630.0	500.0	400.0	300.0	
<b>Technical Assistance</b>									
D	<b>TOTAL FINANCING (C+D)</b>		1,000.0	1,830.0	630.0	500.0	400.0	300.0	
<b>FINANCING SOUGHT</b>									
Direct Project Cost (A-C)									
Technical Assistance (B-D)									
<b>TOTAL FINANCING SOUGHT</b>									

## CURRENT DONOR INVOLVEMENT

Nil.

## POTENTIAL DONOR INVOLVEMENT

Nil.

2010 Budget Votes for this PIP are :-

53534011201 OK TEDI MOA

**PIP NUMBER:** 2766

**PROJECT NAME:** WAU/HIDDEN VALLEY MOA

**EXECUTING AGENCY:** Mineral Resources Authority

**PROJECT OBJECTIVIES:**

The objective of this project is to fund the States committments in the Memorandum of Agreement (MOA) relating to the development of the Hidden Valley Gold Project in Wau, Morobe Province.

**PROJECT STATUS:**

Grants of K500,000.00 were disbursed to the Nakuwi Landowner's in 2009. For 2010, the funding will be committed to infrastrucrures in Wau and to cater for general ongoing liaison activities.

**PROJECT COMPONENTS:**

The three major components for funding in the 2010 development budget include the Wau Secondary School, the Wau Health Centre and the Wau District Court. Other components include environmental awareness patrols and general liaison activities.

**PROJECT LOCATION:**

This project will be administered by the Mineral Resources Authority while the activities of this project will be carried out in the Wau area of Morobe Province.

**PROJECT JUSTIFICATION:**

The Memorandum of Agreement (MOA) is legally binding on all parties that are signatories to it. The State is, thus obliged to meet these commitments. The overall objective for the state's involvement in the project is to ensure smooth operations of the mine.

**PROJECT BENEFICIARIES:**

The main beneficiaries of this project will be the impacted landowners and communities around the Hidden Valley Gold Project, Bulolo, Wau and Morobe Province.

**PROJECT SUSTAINABILITY**

This project will continuously be sustained by the Mineral Resources Authority through annual budgetary fundings from the National Govt budget while other stakeholders will also be providing relevant assistance in supporting this project.

## 2766 WAU/HIDDEN VALLEY 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		2008 Actual	2009 Budget	5 Year Total	2010	2011	2012	2013	2014
DIRECT PROJECT COST									
<b>Current Expenditure</b>									
Personal Emoluments									
Goods and Other Services			180.0						
Current Transfers			250.0	880.0	280.0	200.0	200.0	200.0	
Sub-Total			430.0	880.0	280.0	200.0	200.0	200.0	
<b>Capital Expenditure</b>									
Acquisition of Existing Assets									
Capital Formation			170.0						
Capital Transfers									
Sub-Total			170.0						
A	TOT DIRECT PROJECT COST		600.0	880.0	280.0	200.0	200.0	200.0	
<b>Technical Assistance</b>									
Project Preparation									
Advisory									
Training									
Equipment									
B	TOT TECHNICAL ASSISTANCE								
<b>TOTAL PROJECT COST (A+B)</b>			600.0	880.0	280.0	200.0	200.0	200.0	
<b>FINANCING SOURCES</b>									
IDENTIFIED FINANCING									
<b>Direct Project Financing:</b>									
<b>Government Contributions:</b>									
a) Government Input				880.0	280.0	200.0	200.0	200.0	
b) Self Generating Revenue									
Loan									
Grant									
C	TOTAL DIRECT FINANCING			880.0	280.0	200.0	200.0	200.0	
<b>Technical Assistance</b>									
D	<b>TOTAL FINANCING (C+D)</b>			880.0	280.0	200.0	200.0	200.0	
<b>FINANCING SOUGHT</b>									
Direct Project Cost (A-C)			600.0						
Technical Assistance (B-D)									
<b>TOTAL FINANCING SOUGHT</b>			600.0						

## CURRENT DONOR INVOLVEMENT

There is currently no donor involvement but the National Government.

## POTENTIAL DONOR INVOLVEMENT

There is no potential for donor involvement in the future.

## 2010 Budget Votes for this PIP are :-

53534011202 WAU/HIDDEN VALLEY LIAISON

**PIP NUMBER:** 2767

**PROJECT NAME:** RAMU NICKEL MOA

**EXECUTING AGENCY:** Mineral Resources Authority

**PROJECT OBJECTIVIES:**

To meet National Government commitments as agreed to in the Ramu MOA made between the State, Madang Provincial Government and Ramu Landowners.

**PROJECT STATUS:**

The Ramu Project was negotiated and signed in 1999 between the State and the Ramu Nickel Joint Venture partners to commence work on the development phase. It is in its construction phase. The Ramu MOA has been reviewed and signed. The State commitments in the MOA is still on going and the scope would change once the mine comes into full production in 2010. Currently State is providing annual grants to the four (4) landowner groups and providing Business Development Grants as per the MOA.

**PROJECT COMPONENTS:**

The project components include grants to Landowner Associations. The State is required to allocate K50,000.0 each to the 4 landowner Associations until the first royalty payment. Other components include the Basamuk Government station establishment, Walium and Usino Police Station Upgrade, Brahman Danagari road maintenance and the Ganglau Health centre upgrade.

**PROJECT LOCATION:**

The Project will be located in the Ramu Valley of Madang Province.

**PROJECT JUSTIFICATION:**

Ramu Mine is an important constituent of PNG's development policies. The development of the Ramu nickel project is important for the economy of PNG in terms of a regular flow of revenue to the Government from the mining sector.

**PROJECT CAPACITY:**

The Mineral Resources Authority administers the overall operation and disbursement of project funds under the MOA. Capital works relating to the project are to be executed using proper tendering process by the Works Dept. Individual mine coordinator coordinate and oversee the overall implementation of the projects as per the MOA.

**PROJECT BENEFICIARIES:**

The project beneficiaries are Ramu Project landowners, Madang Provincial Government and the country as a whole. Since the signing of the Ramu MOA, four (4) landowner associations have been paid annual grants of K50,000 each.

**PROJECT SUSTAINABILITY**

The project will be sustained by Mineral Resources Authority through annual budgetary allocations from the National Government under the Mining Agreement Funds as per the MOA.

**2767 RAMU NICKEL MOA**

ESTIMATED TOTAL PROJECT COST 20,000.0 ESTIMATED DURATION OF THE PROJECT 5.0 Years

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

PROJECT COST		2008 Actual	2009 Budget	5 Year Total	2010	2011	2012	2013	2014
<b>DIRECT PROJECT COST</b>									
<b>Current Expenditure</b>									
Personal Emoluments									
Goods and Other Services			600.0	1,350.0	450.0	400.0	300.0	200.0	
Current Transfers			600.0	2,600.0	1,000.0	800.0	500.0	300.0	
Sub-Total			1,200.0	3,950.0	1,450.0	1,200.0	800.0	500.0	
<b>Capital Expenditure</b>									
Acquisition of Existing Assets									
Capital Formation			300.0	7,220.0	2,720.0	2,000.0	1,500.0	1,000.0	
Capital Transfers									
Sub-Total			300.0	7,220.0	2,720.0	2,000.0	1,500.0	1,000.0	
<b>TOT DIRECT PROJECT COST</b>			1,500.0	11,170.0	4,170.0	3,200.0	2,300.0	1,500.0	
<b>Technical Assistance</b>									
Project Preparation									
Advisory									
Training									
Equipment									
<b>TOT TECHNICAL ASSISTANCE</b>									
<b>TOTAL PROJECT COST (A+B)</b>			1,500.0	11,170.0	4,170.0	3,200.0	2,300.0	1,500.0	
<b>FINANCING SOURCES</b>									
<b>IDENTIFIED FINANCING</b>									
<b>Direct Project Financing:</b>									
<b>Government Contributions:</b>									
a) Government Input				11,170.0	4,170.0	3,200.0	2,300.0	1,500.0	
b) Self Generating Revenue									
Loan									
Grant									
<b>TOTAL DIRECT FINANCING</b>				11,170.0	4,170.0	3,200.0	2,300.0	1,500.0	
<b>Technical Assistance</b>									
<b>TOTAL FINANCING (C+D)</b>				11,170.0	4,170.0	3,200.0	2,300.0	1,500.0	
<b>FINANCING SOUGHT</b>									
Direct Project Cost (A-C)			1,500.0						
Technical Assistance (B-D)									
<b>TOTAL FINANCING SOUGHT</b>			1,500.0						

**CURRENT DONOR INVOLVEMENT**

Currently there is no donor funding.

**POTENTIAL DONOR INVOLVEMENT**

There is no donor involvement.

**2010 Budget Votes for this PIP are :-**

53534011203 RAMU LIAISON PROJECT



**PIP NUMBER:** 2768

**PROJECT NAME:** KAINANTU MOA

**EXECUTING AGENCY:** Mineral Resources Authority

**PROJECT OBJECTIVIES:**

The objective of this project is to fund state committments in the Kainantu MOA to ensure smooth operations of the Kainantu Mine.

**PROJECT STATUS:**

This is an ongoing state committment and currently into going into its fifth year of funding. The Community Development Committee is in the process of acquiring land for Community Development Project office funding SSG's and other projects under the Kainantu MOA.

**PROJECT COMPONENTS:**

The major component for funding is the Community Projects Office. Other components included the general liaison and monitoring activities.

**PROJECT LOCATION:**

The project will be administered by Mineral Resource Authority whilst most of the activities would be undertaken in the Kainantu area of Eastern Highlands Province.

**PROJECT JUSTIFICATION:**

The Memorandum of Agreement (MOA) is legally binding. Thus, the state is obliged to meet its committments in as stated in the MOA to ensure smooth operation of the mine.

**PROJECT CAPACITY:**

The Mineral Resources Authority administers the overall management and disbursment of funds. Capital works relating to the project are to be executed through proper tendering process by the Works Dept. Project Coordinators are appointed for each of the mining projects who administer the overall project implementation and funding allocations as per the MOA.

**PROJECT BENEFICIARIES:**

The main beneficiaries of this project will be the impacted landowners of the Kainantu Mine Project area, Kainantu District, Eastern Highland Province and PNG.

**PROJECT SUSTAINABILITY**

It is anticipated that the projects funded and implemented through the MOA will be taken over by the Community Projects Office, the Kainantu Rural and Urban LLGs, Kainantu District Administration and the Eastern Highlands Provincial Administration in the future.

**2768 KAINANTU MOA**

ESTIMATED TOTAL PROJECT COST 5,000.0 ESTIMATED DURATION OF THE PROJECT 5.0 Years

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

PROJECT COST		2008 Actual	2009 Bugdet	5 Year Total	2010	2011	2012	2013	2014
<b>DIRECT PROJECT COST</b>									
<b>Current Expenditure</b>									
Personal Emoluments									
Goods and Other Services			150.0	1,360.0	460.0	400.0	300.0	200.0	
Current Transfers			350.0	1,000.0	400.0	300.0	200.0	100.0	
Sub-Total			500.0	2,360.0	860.0	700.0	500.0	300.0	
<b>Capital Expenditure</b>									
Acquisition of Existing Assets									
Capital Formation									
Capital Transfers									
Sub-Total									
<b>A TOT DIRECT PROJECT COST</b>			500.0	2,360.0	860.0	700.0	500.0	300.0	
<b>Technical Assistance</b>									
Project Preparation									
Advisory									
Training									
Equipment									
<b>B TOT TECHNICAL ASSISTANCE</b>									
<b>TOTAL PROJECT COST (A+B)</b>			500.0	2,360.0	860.0	700.0	500.0	300.0	
<b>FINANCING SOURCES</b>									
<b>IDENTIFIED FINANCING</b>									
<b>Direct Project Financing:</b>									
<b>Government Contributions:</b>									
a) Government Input				2,360.0	860.0	700.0	500.0	300.0	
b) Self Generating Revenue									
Loan									
Grant									
<b>C TOTAL DIRECT FINANCING</b>				2,360.0	860.0	700.0	500.0	300.0	
<b>D Technical Assistance</b>									
<b>TOTAL FINANCING (C+D)</b>				2,360.0	860.0	700.0	500.0	300.0	
<b>FINANCING SOUGHT</b>									
Direct Project Cost (A-C)			500.0						
Technical Assistance (B-D)									
<b>TOTAL FINANCING SOUGHT</b>			500.0						

**CURRENT DONOR INVOLVEMENT**

Nil

**POTENTIAL DONOR INVOLVEMENT**

Nil

**2010 Budget Votes for this PIP are :-**

53534011204 KAINANTU MOA

**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		2008 Actual	2009 Budget	5 Year Total	2010	2011	2012	2013	2014
<b>DIRECT PROJECT COST</b>									
<b>Current Expenditure</b>									
Personal Emoluments									
Goods and Other Services			210.0	813.0	213.0	200.0	200.0	200.0	
Current Transfers			1,540.0	1,600.0	400.0	400.0	400.0	400.0	
Sub-Total			1,750.0	2,413.0	613.0	600.0	600.0	600.0	
<b>Capital Expenditure</b>									
Acquisition of Existing Assets									
Capital Formation			1,250.0	30,382.0	9,382.0	8,000.0	7,000.0	6,000.0	
Capital Transfers									
Sub-Total			1,250.0	30,382.0	9,382.0	8,000.0	7,000.0	6,000.0	
<b>A TOT DIRECT PROJECT COST</b>			3,000.0	32,795.0	9,995.0	8,600.0	7,600.0	6,600.0	
<b>Technical Assistance</b>									
Project Preparation									
Advisory									
Training									
Equipment									
<b>B TOT TECHNICAL ASSISTANCE</b>									
<b>TOTAL PROJECT COST (A+B)</b>			3,000.0	32,795.0	9,995.0	8,600.0	7,600.0	6,600.0	
<b>FINANCING SOURCES</b>									
<b>IDENTIFIED FINANCING</b>									
<b>Direct Project Financing:</b>									
<b>Government Contributions:</b>									
a) Government Input			3,000.0	32,800.0	10,000.0	8,600.0	7,600.0	6,600.0	
b) Self Generating Revenue									
Loan									
Grant									
<b>C TOTAL DIRECT FINANCING</b>			3,000.0	32,800.0	10,000.0	8,600.0	7,600.0	6,600.0	
<b>D Technical Assistance</b>									
<b>TOTAL FINANCING (C+D)</b>			3,000.0	32,800.0	10,000.0	8,600.0	7,600.0	6,600.0	
<b>FINANCING SOUGHT</b>									
Direct Project Cost (A-C)				-5.0	-5.0				
Technical Assistance (B-D)									
<b>TOTAL FINANCING SOUGHT</b>				-5.0	-5.0				

**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.

**2010 Budget Votes for this PIP are :-**

53534011205 LIHIR LIAISON

**PIP NUMBER:** 2770

**PROJECT NAME:** PORGERA MOA

**EXECUTING AGENCY:** Mineral Resources Authority

**PROJECT OBJECTIVIES:**

To honour state commitment in the Porgera MOA. The infrastructures constructed under the MOA will benefit the people in the area/region while at the same time will allow for good community relations that will allow for smooth mining development.

**PROJECT STATUS:**

The project is ongoing. The Porgera Mine is one of those older mines that have their MOAs going back years. Since the inception of the MOA a lot of infrastructures have been funded, including education infrastructures in the Paiam/Porgera areas. The Porgera MOA review is which began in 2000 is still ongoing. All major state committments under the Porgera are being funded annually.

**PROJECT COMPONENTS:**

The project components are: 1) Granst to Porgera Health Centre (2) Grants to Paiam Management Company via PDA (3) Porgera -Tari Road (4) Paiam High School (5) Paiam Recreational Centre (6) Paiam Hydro Power Project (7) Paiam Road Stage 2 (8) Paiam Township maintenance, 9) Paiam Development Company Management & Administration.

**PROJECT LOCATION:**

Pogera District in the Enga Province.

**PROJECT JUSTIFICATION:**

This is a state commitment to provide basic infrastructure in lieu of the landowners taking up equity in the project. The MOA is a legally binding of all parties. The state is a party to this MOA, thus need to honour its commitments. The overall objective of the State's involvement is to ensure the smooth operation of the mine.

**PROJECT CAPACITY:**

The Mineral Resouces Authority has the capacity to implement the project. Mining coodinators have been appointed to coordinate the overall implementation of the projects including managing of the funds. This project has been managed well in the past under the previous Mining Department.

**PROJECT BENEFICIARIES:**

The direct beneficiaries are the people of the Pogera and Mt.Kare District, and Enga Province. Development of Paiam township is now addressing the difficulty on the issue of "Fly-in/Fly-out" operation affecting Pogera Mining operation. PJV workers will benefit immensely.

**PROJECT SUSTAINABILITY**

The infrastructure facilities constructed under the Pogera/Paiam MOA will be sustained by Pogera Development Authority (PDA) and the Enga Provincial Government through their recurrent budget in the post mine era. Currently, the Pogera/Paiam MOA will continue to be funded through annual budgetary appropriations.

**2770 PORGERA 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		2008 Actual	2009 Budget	5 Year Total	2010	2011	2012	2013	2014
<b>DIRECT PROJECT COST</b>									
<b>Current Expenditure</b>									
Personal Emoluments									
Goods and Other Services			190.0	430.0	130.0	100.0	100.0	100.0	
Current Transfers			2,250.0	7,280.0	2,780.0	2,000.0	1,500.0	1,000.0	
Sub-Total			2,440.0	7,710.0	2,910.0	2,100.0	1,600.0	1,100.0	
<b>Capital Expenditure</b>									
Acquisition of Existing Assets									
Capital Formation			60.0	860.0	260.0	200.0	200.0	200.0	
Capital Transfers									
Sub-Total			60.0	860.0	260.0	200.0	200.0	200.0	
A	TOT DIRECT PROJECT COST		2,500.0	8,570.0	3,170.0	2,300.0	1,800.0	1,300.0	
<b>Technical Assistance</b>									
Project Preparation									
Advisory									
Training									
Equipment									
B	TOT TECHNICAL ASSISTANCE								
<b>TOTAL PROJECT COST (A+B)</b>			2,500.0	8,570.0	3,170.0	2,300.0	1,800.0	1,300.0	
<b>FINANCING SOURCES</b>									
<b>IDENTIFIED FINANCING</b>									
<b>Direct Project Financing:</b>									
<b>Government Contributions:</b>									
a) Government Input				8,575.0	3,175.0	2,300.0	1,800.0	1,300.0	
b) Self Generating Revenue									
Loan									
Grant									
C	TOTAL DIRECT FINANCING			8,575.0	3,175.0	2,300.0	1,800.0	1,300.0	
<b>Technical Assistance</b>									
D	<b>TOTAL FINANCING (C+D)</b>			8,575.0	3,175.0	2,300.0	1,800.0	1,300.0	
<b>FINANCING SOUGHT</b>									
Direct Project Cost (A-C)			2,500.0	-5.0	-5.0				
Technical Assistance (B-D)									
<b>TOTAL FINANCING SOUGHT</b>			2,500.0	-5.0	-5.0				

**CURRENT DONOR INVOLVEMENT**

Nil.

**POTENTIAL DONOR INVOLVEMENT**

Nil.

**2010 Budget Votes for this PIP are :-**

53534011206 MINING AGREEMENT - PORGERA

**PIP NUMBER:** 2771

**PROJECT NAME:** MT SINIVIT MOA

**EXECUTING AGENCY:** Mineral Resources Authority

**PROJECT OBJECTIVIES:**

The objective of the MOA is to meet state committments under the Mt. Sinivit Memorandum of Agreement (MOA). The government's involvement in the project is to deliver infrastructure development and other benefits to the landowners and the community with a view to create community relations to allow for smooth mine operations.

**PROJECT STATUS:**

This is an ongoing project which began in 2006. The revised MOA was signed this year.

**PROJECT COMPONENTS:**

The main components are; (1) One-off businessdevelopment and administration grants to the landowner company, Uramot (2) Sinivit roads upgrade (3) General ongoing liaison activties.

**PROJECT LOCATION:**

Mt Sinivit area in the Baining LLG area of East New Briatin Province.

**PROJECT JUSTIFICATION:**

Firstly, the MOA is legally binding on the respective parties, while at the same time these investments will serve as community relation initiatives that will enable the mine to operate smoothly. Further, the state's involvement in the project recognises the the fact that the mining project creates jobs, income and business developmennt opportunities, both for the local people, the province and the country as a whole.

**PROJECT CAPACITY:**

The Department of Mineral Resources Authority will administer the disbursement of project funds. Capital works of the project are to be executed through proper tendering processes by Department of Works.

**PROJECT BENEFICIARIES:**

The direct beneficiaries are the impacted landowners of Mt Sinivit, the LLG, East New Britain Provincial Government.

**PROJECT SUSTAINABILITY**

Given the legality of the project, the National Government will fund and sustain the project through the duration of the Agreement. The ceasation of this Agreement would see the East New Britain Provincial Government and the relevant Local Level Governments taking over the role of maintaining the infrastructure facilities and other business establishments thereon to ensure it continues to sustain livelihood of of the people.

**2771 MT SINIVIT MOA**

ESTIMATED TOTAL PROJECT COST 5,000.0 ESTIMATED DURATION OF THE PROJECT 5.0 Years

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

PROJECT COST		2008 Actual	2009 Bugdet	5 Year Total	2010	2011	2012	2013	2014
<b>DIRECT PROJECT COST</b>									
<b>Current Expenditure</b>									
Personal Emoluments									
Goods and Other Services			120.0	400.0	100.0	100.0	100.0	100.0	
Current Transfers			250.0	1,800.0	600.0	500.0	400.0	300.0	
Sub-Total			370.0	2,200.0	700.0	600.0	500.0	400.0	
<b>Capital Expenditure</b>									
Acquisition of Existing Assets									
Capital Formation				800.0	200.0	200.0	200.0	200.0	
Capital Transfers									
Sub-Total				800.0	200.0	200.0	200.0	200.0	
<b>A TOT DIRECT PROJECT COST</b>			370.0	3,000.0	900.0	800.0	700.0	600.0	
<b>Technical Assistance</b>									
Project Preparation									
Advisory									
Training									
Equipment									
<b>B TOT TECHNICAL ASSISTANCE</b>									
<b>TOTAL PROJECT COST (A+B)</b>			370.0	3,000.0	900.0	800.0	700.0	600.0	
<b>FINANCING SOURCES</b>									
<b>IDENTIFIED FINANCING</b>									
<b>Direct Project Financing:</b>									
<b>Government Contributions:</b>									
a) Government Input			370.0	3,000.0	900.0	800.0	700.0	600.0	
b) Self Generating Revenue									
Loan									
Grant									
<b>C TOTAL DIRECT FINANCING</b>			370.0	3,000.0	900.0	800.0	700.0	600.0	
<b>D Technical Assistance</b>									
<b>TOTAL FINANCING (C+D)</b>			370.0	3,000.0	900.0	800.0	700.0	600.0	
<b>FINANCING SOUGHT</b>									
Direct Project Cost (A-C)									
Technical Assistance (B-D)									
<b>TOTAL FINANCING SOUGHT</b>									

**CURRENT DONOR INVOLVEMENT**

There is currently no donor involvement in the execution of the MOA but the National Government.

**POTENTIAL DONOR INVOLVEMENT**

Nil.

**2010 Budget Votes for this PIP are :-**

53534011207 MT. SINIVIT MOA



**PIP NUMBER:** 2772

**PROJECT NAME:** SIMBERI MOA

**EXECUTING AGENCY:** Mineral Resources Authority

**PROJECT OBJECTIVIES:**

To meet state committments under the MOA as part of the Governments liaison and community affairs programs to ensure smooth operations of the Simberi Gold Mine Project with minimal distrupctions.

**PROJECT STATUS:**

The funding for 2009 met some of the major components it set out to meet like the Business Establishment Grants for the Landowners Association and the financial assistanct to pit landowners.

**PROJECT COMPONENTS:**

The main components of the project are:(1) Outstanding Special Support Grants for 2008 and 2009;(2) Simberi ring road maintenance;(3) SNLLG for maintenance of Public Servants Housing;(4) Konos Station new generator set & power supply extension;(5) SNLLG Office and Chamber complex;(6) Simberi Police infrastructure

**PROJECT LOCATION:**

Simberi Islands and New Ireland Provincial Government.

**PROJECT JUSTIFICATION:**

The MOA is legally binding on the respective parties, where the state is a party. Thus, the state needs to honour these commitments. Besides, the MOA recognises the importance of the mining project to the economy of PNG - creates income, wealth, jobs and business development opportunities. The government sees the need for creating community relations to allow for smooth operations of the mine.

**PROJECT CAPACITY:**

The Mineral Resources Authority administers the disbursment of project funds. The capital works of the project will be executed through a proper tendering processes by Department of Works. Project Coordinator are appointed within MRA to oversee the project implementation as per the MOA including funding to ensure funds are spent as within the scope works.

**PROJECT BENEFICIARIES:**

The direct beneficieries will be the people of the Simberi Group of Islands and New Ireland Provincial Government and the whole country.

**PROJECT SUSTAINABILITY**

Given the legality of the project, the National Government will fund and sustain the project through the duration of the Agreement. The New Ireland Provincial Government and Simberi LLG will cater for the upkeep of the facilities after mine closure to sustain the livelihoods of the local people.

**2772 SIMBERI MOA**

ESTIMATED TOTAL PROJECT COST 5,000.0 ESTIMATED DURATION OF THE PROJECT 5.0 Years

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

PROJECT COST		2008 Actual	2009 Bugdet	5 Year Total	2010	2011	2012	2013	2014
<b>DIRECT PROJECT COST</b>									
<b>Current Expenditure</b>									
Personal Emoluments									
Goods and Other Services			120.0	3,680.0	180.0	1,500.0	1,000.0	1,000.0	
Current Transfers			250.0	1,500.0	1,500.0				
Sub-Total			370.0	5,180.0	1,680.0	1,500.0	1,000.0	1,000.0	
<b>Capital Expenditure</b>									
Acquisition of Existing Assets									
Capital Formation									
Capital Transfers									
Sub-Total									
<b>A TOT DIRECT PROJECT COST</b>			370.0	5,180.0	1,680.0	1,500.0	1,000.0	1,000.0	
<b>Technical Assistance</b>									
Project Preparation									
Advisory									
Training									
Equipment									
<b>B TOT TECHNICAL ASSISTANCE</b>									
<b>TOTAL PROJECT COST (A+B)</b>			370.0	5,180.0	1,680.0	1,500.0	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			370.0	5,180.0	1,680.0	1,500.0	1,000.0	1,000.0	
b) Self Generating Revenue									
Loan									
Grant									
<b>C TOTAL DIRECT FINANCING</b>			370.0	5,180.0	1,680.0	1,500.0	1,000.0	1,000.0	
<b>D Technical Assistance</b>									
<b>TOTAL FINANCING (C+D)</b>			370.0	5,180.0	1,680.0	1,500.0	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**

There is currently no donor involvement in the execution of the MOA but the National Government.

**POTENTIAL DONOR INVOLVEMENT**

Nil.

**2010 Budget Votes for this PIP are :-**

53534011208 SIMBERI MOA

**PIP NUMBER:** 2774

**PROJECT NAME:** EU SYSMIN PROJECT

**EXECUTING AGENCY:** Mineral Resources Authority

**PROJECT OBJECTIVIES:**

The overall objective of this project are: (1) to sustain the country's economic performance in mineral production and exports; (2) to alleviate poverty; and (3) to mitigate the mines adverse environmental impacts.

**PROJECT STATUS:**

The project is now under the Mineral Resources Authority with its Project Management Unit. Implementation of most of the components of the project have concluded with only four ongoing. For 2009 the funding for the following will continue to progress their current implementation status: (1) PNG Geological Mapping (2) Airbourne Geological Survey Project (3) Program Management (4) Geological & Mineral Information System (5) Small Scale Mining Project.

**PROJECT COMPONENTS:**

The components of the project include; 1. Formulation of a mining waste management policy; 2. Independent evaluation of deep-sea tailings placement (DSTP) in PNG; 3. Construction of a new Mining Haus for the Department of Mining; 4. Small-Scale Mining Vocational Centres and Women Development Centre; 5. Airborne geophysical survey of the Highlands and Owen Stanley Range; 7. Geological and Mineral Potential assessment of the Highlands and Owen Stanley Range; 7. Geological and Mineral Resources Information System (GMRIS); 9. Hardware procurement; 10. Promotion of PNG's Mineral Sector; and 11. Technical Assessment of the Programme Management Unit (PMU).

**PROJECT LOCATION:**

The project will focus on mine affected areas in PNG.

**PROJECT JUSTIFICATION:**

The project is aimed at improving capacity of the Department of Mining/MRA to promote exploration activities to sustain the country's economic performance in mineral exports and mitigate mines environmental impacts on sorounding communities to mining projects.

**PROJECT CAPACITY:**

The project was formerly implemented under the Mining Department and transfered to MRA when it was established. Under the project a Project Management Unit was set up and a National Program Manager rrecruited to oversee the implementation of the project. Thus institutional capacity is not an issue as, MRA/DoM has implemented projects of such magnitude including this one.

**PROJECT BENEFICIARIES:**

The main beneficiaries will be the mine affected communities and areas. It also aims to strengthen MRA's capacity in terms of undertaking its regulatory functions to regulate the mining industry in the country.`

**PROJECT SUSTAINABILITY**

The Department of Mineral Resource Authority has now assumed full ownership and has the capacity to implement the project with funding from EU.

**2774 EU SYSMIN PROJECT**

ESTIMATED TOTAL PROJECT COST 0.0 ESTIMATED DURATION OF THE PROJECT Years

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

PROJECT COST		2008 Actual	2009 Budget	5 Year Total	2010	2011	2012	2013	2014
<b>DIRECT PROJECT COST</b>									
<b>Current Expenditure</b>									
Personal Emoluments									
Goods and Other Services			5,954.9						
Current Transfers			300.0	2,000.0	500.0	500.0	500.0	500.0	
Sub-Total			6,254.9	2,000.0	500.0	500.0	500.0	500.0	
<b>Capital Expenditure</b>									
Acquisition of Existing Assets									
Capital Formation			25,000.0	31,500.0	10,500.0	9,000.0	7,000.0	5,000.0	
Capital Transfers									
Sub-Total			25,000.0	31,500.0	10,500.0	9,000.0	7,000.0	5,000.0	
<b>A TOT DIRECT PROJECT COST</b>			31,254.9	33,500.0	11,000.0	9,500.0	7,500.0	5,500.0	
<b>Technical Assistance</b>									
Project Preparation									
Advisory									
Training									
Equipment									
<b>B TOT TECHNICAL ASSISTANCE</b>									
<b>TOTAL PROJECT COST (A+B)</b>			31,254.9	33,500.0	11,000.0	9,500.0	7,500.0	5,500.0	
<b>FINANCING SOURCES</b>									
<b>IDENTIFIED FINANCING</b>									
<b>Direct Project Financing:</b>									
<b>Government Contributions:</b>									
a) Government Input			300.0	23,000.0	500.0	9,500.0	7,500.0	5,500.0	
b) Self Generating Revenue									
Loan									
Grant			30,954.9	10,500.0	10,500.0				
<b>C TOTAL DIRECT FINANCING</b>			31,254.9	33,500.0	11,000.0	9,500.0	7,500.0	5,500.0	
<b>D Technical Assistance</b>									
<b>TOTAL FINANCING (C+D)</b>			31,254.9	33,500.0	11,000.0	9,500.0	7,500.0	5,500.0	
<b>FINANCING SOUGHT</b>									
Direct Project Cost (A-C)									
Technical Assistance (B-D)									
<b>TOTAL FINANCING SOUGHT</b>									

**CURRENT DONOR INVOLVEMENT**

European Union (EU).

**POTENTIAL DONOR INVOLVEMENT**

Only EU and no other donor involvement.

**2010 Budget Votes for this PIP are :-**

53534011210 SYSMIN PROJECT

**PIP NUMBER:** 2803

**PROJECT NAME:** SOLWARA 1 LIAISON

**EXECUTING AGENCY:** Mineral Resources Authority

**PROJECT OBJECTIVIES:**

To fund liaison activities for the Solwara 1 Mining Project, for possible mining developments and to gain approval from the state for development.

**PROJECT STATUS:**

This is a new project, thus further development on the project will be determined by what is achieved this year.

**PROJECT COMPONENTS:**

The main component of this project is assistance for the state team on the coordination efforts, liaison and negotiation to achieve the following activities; (1) Project Agreement, (2) Concentrator Land Acquisition, (3) Environmental Impact Study, (4) Concentrator Front End Design, (5) Concentrator Site Works, and (6) Granting of Mining Lease. Included also would be the appraisal from the state and approval from the state for development by the developer.

**PROJECT LOCATION:**

The mineral deposit is between New Ireland and East New Britain Province.

**PROJECT JUSTIFICATION:**

The Solwara 1 project involves seabed exploration and mining. It will be the first of its kind in the world. The funding provided will assist the Government team to liaise with the developer (Nautilus) on different aspects of the project. Unlike other mining developments, this needs additional work as it is a high risk project involving new and untested mining techniques and processes, mining at substantial debts , ect.

**PROJECT CAPACITY:**

The Mineral Resources Authority will administer the disbursement of the project funds and has the capacity to oversee the implementation of the project in conjunction with all stakeholders.

**PROJECT BENEFICIARIES:**

The direct beneficiaries of this project would be the Independent State of PNG and the two marine provinces hosting this project, New Ireland and East New Britain Provinces.

**PROJECT SUSTAINABILITY**

The expenditure are investment related, thus will continue to be out of the PIP.

**2803 SOLWARA 1 LIAISON**

ESTIMATED TOTAL PROJECT COST 5,000.0 ESTIMATED DURATION OF THE PROJECT 5.0 Years

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

PROJECT COST		2008 Actual	2009 Budget	5 Year Total	2010	2011	2012	2013	2014
<b>DIRECT PROJECT COST</b>									
<b>Current Expenditure</b>									
Personal Emoluments									
Goods and Other Services			300.0	1,100.0	350.0	300.0	250.0	200.0	
Current Transfers									
Sub-Total			300.0	1,100.0	350.0	300.0	250.0	200.0	
<b>Capital Expenditure</b>									
Acquisition of Existing Assets									
Capital Formation									
Capital Transfers									
Sub-Total									
A	TOT DIRECT PROJECT COST		300.0	1,100.0	350.0	300.0	250.0	200.0	
<b>Technical Assistance</b>									
Project Preparation									
Advisory									
Training									
Equipment									
B	TOT TECHNICAL ASSISTANCE								
<b>TOTAL PROJECT COST (A+B)</b>			300.0	1,100.0	350.0	300.0	250.0	200.0	
<b>FINANCING SOURCES</b>									
<b>IDENTIFIED FINANCING</b>									
<b>Direct Project Financing:</b>									
<b>Government Contributions:</b>									
a) Government Input			300.0	1,100.0	350.0	300.0	250.0	200.0	
b) Self Generating Revenue									
Loan									
Grant									
C	TOTAL DIRECT FINANCING		300.0	1,100.0	350.0	300.0	250.0	200.0	
<b>Technical Assistance</b>									
D	<b>TOTAL FINANCING (C+D)</b>		300.0	1,100.0	350.0	300.0	250.0	200.0	
<b>FINANCING SOUGHT</b>									
Direct Project Cost (A-C)									
Technical Assistance (B-D)									
<b>TOTAL FINANCING SOUGHT</b>									

**CURRENT DONOR INVOLVEMENT**

There is currently no donor involvement but GoPNG.

**POTENTIAL DONOR INVOLVEMENT**

There is no potential for donor involvement in the future.

**2010 Budget Votes for this PIP are :-**

53534011211 SOLWARA 1 LIAISON

**PIP NUMBER:** 2968

**PROJECT NAME:** MINING SECTOR INSTITUTIONAL STRENGTHENING PHASE 2

**EXECUTING AGENCY:** Mineral Resources Authority

**PROJECT OBJECTIVIES:**

To enhance the capacity of the Government through the Mineral Resource Authority to plan, manage, regulate and monitor the exploration and the development of the nation's mineral resources. The Government through this project can acquire necessary skills to develop the expertise in mining resource evaluation and utilization.

**PROJECT STATUS:**

The project commenced in 2000 with concessional loan funding from the World Bank and a counterpart funding from the National Government. Implementation has been satisfactory with most of the project components have been implemented and completed. In 2010, the second phase of the implementation will continue.

**PROJECT COMPONENTS:**

The component include; 1. Policy and Regulatory Institutional Strengthening; 2. Development of Departmental Capacity to monitor and execute Audits of Exploration and Mining Activities; 3. Strengthening of Departmental Mineral Tenements Management; 4. Development of Project Coordination and Liaison Capacity for Sustainable Development in Mining Project Areas; 5. Institutional Strengthening of the Geological Survey and Development of Geological Information System (GIS) Capabilities; 6. Institutional Strengthening and Capacity Building for IRC.

**PROJECT LOCATION:**

Mineral Resources Authority, Konedobu, National Capital District.

**PROJECT JUSTIFICATION:**

This project will enable the Government to be more effecient in the management of benefits from the mineral resources, maximize exploration capacity, and improve analysis and monitoring of mineral resource development.

**PROJECT CAPACITY:**

The Mineral Resources Authority has the capacity to coordinate the implementation of the project. Implementation has been satisfactory in the first phase. The project itself has provided a lot of capacity building for the former Department of Mining staff in terms of manpower training.

**PROJECT BENEFICIARIES:**

The staff of the Mineral Resources Authority will be the main beneficiaries of the project through training and skills transfered from the TA. The National Government will also benefit indirectly from the (a) management and regulation of the mining industry and (b) from an improved coordination, monitoring & evaluation of mining activities in the country, thus raising potential for increased revenue for the country.

**PROJECT SUSTAINABILITY**

The sustainability of this project will depend very much on how staff of MRA are trained and are able to contribute towards the management, monitoring and evaluation of the development of mineral resources in the country.

## 2968 MINING SECTOR INSTITUTIONAL STRENGTHENING PHASE 2

ESTIMATED TOTAL PROJECT COST 0.0 ESTIMATED DURATION OF THE PROJECT Years

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

PROJECT COST		2008 Actual	2009 Budget	5 Year Total	2010	2011	2012	2013	2014
<b>DIRECT PROJECT COST</b>									
<b>Current Expenditure</b>									
Personal Emoluments									
Goods and Other Services			1,000.0						
Current Transfers				3,300.0	1,800.0	1,000.0	500.0		
Sub-Total			1,000.0	3,300.0	1,800.0	1,000.0	500.0		
<b>Capital Expenditure</b>									
Acquisition of Existing Assets									
Capital Formation			28,689.4	48,182.0	18,182.0	16,000.0	14,000.0		
Capital Transfers									
Sub-Total			28,689.4	48,182.0	18,182.0	16,000.0	14,000.0		
A	TOT DIRECT PROJECT COST		29,689.4	51,482.0	19,982.0	17,000.0	14,500.0		
<b>Technical Assistance</b>									
Project Preparation									
Advisory									
Training									
Equipment									
B	TOT TECHNICAL ASSISTANCE								
<b>TOTAL PROJECT COST (A+B)</b>			29,689.4	51,482.0	19,982.0	17,000.0	14,500.0		
<b>FINANCING SOURCES</b>									
<b>IDENTIFIED FINANCING</b>									
<b>Direct Project Financing:</b>									
<b>Government Contributions:</b>									
a) Government Input			1,000.0	33,300.0	1,800.0	17,000.0	14,500.0		
b) Self Generating Revenue									
Loan			28,689.4	18,182.0	18,182.0				
Grant									
C	TOTAL DIRECT FINANCING		29,689.4	51,482.0	19,982.0	17,000.0	14,500.0		
<b>Technical Assistance</b>									
D	<b>TOTAL FINANCING (C+D)</b>		29,689.4	51,482.0	19,982.0	17,000.0	14,500.0		
<b>FINANCING SOUGHT</b>									
Direct Project Cost (A-C)									
Technical Assistance (B-D)									
<b>TOTAL FINANCING SOUGHT</b>									

**CURRENT DONOR INVOLVEMENT**

The World Bank is continuing to fund this program through a loan with counterpart funding from GoPNG.

**POTENTIAL DONOR INVOLVEMENT**

There is currently no potential for further donor involvement.

**2010 Budget Votes for this PIP are :-**

53534011213 MINING SECTOR INSTITUTIONAL STRENGTHENING