

Australia, New Zealand, International Finance Corporation  
Papua New Guinea Partnership

End of Term Evaluation Report

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## Executive summary

This is an independent evaluation of the Papua New Guinea (PNG) Partnership between the International Finance Corporation (IFC), Australia's Department of Foreign Affairs and Trade (DFAT) and New Zealand's Ministry of Foreign Affairs and Trade (MFAT).

The Partnership has been implemented in what the World Bank Group (WBG) classifies as a Fragile and Conflicted-Affected State (FCS).

Through the PNG Partnership, IFC operations have spanned a wide range of sectors, including power, agribusiness, SMEs and access to finance. IFC's advisory program across many sectors has been part of IFC's approach, including a focus on the investment climate, such as regulatory reform and public-private partnership dialogues.

The PNG Partnership has been assessed against the Organization for Economic Cooperation and Development's (OECD) Development Assistance Committee (DAC) criteria and found to be strategically relevant and coherent, with most projects (87%) delivering high or medium effectiveness. Whilst there were some timeline delays, mainly due to the consequences of the COVID-19 pandemic, the Partnership has been judged to be efficiently managed, with a good focus on sustainability.

Key lessons for the future include the need for adaptability to changing circumstances, more fully integrating gender into project design up front, and more attention being given to differentiating project strategies and the tools and resources. With the PNG Partnership extended with DFAT through to March 2025, a greater focus on outcomes rather than goals would also help provide for a more feasible and accurate results measure.

The evaluation applied an evaluation matrix based on the Principles for Evaluation of Development Assistance, assessing relevance, coherence, effectiveness, efficiency, impact, gender, and sustainability, developed by OECD's DAC. In addition, it identifies several lessons to inform the development of future IFC advisory service programs and for IFC, DFAT and MFAT.

The results of the assessment against the evaluation criteria are briefly summarised:

- **Relevance.** Overall, the Partnership performed well regarding its relevance to country, partner and beneficiary needs. Around 80 per cent of the Partnership's 24 projects are rated as High in relevance. IFC ensured the Partnership responded to the needs of the private sector and government partners, and aligned with the PNG Government's development frameworks, principally through the WBG's PNG Country Partnership Framework (CPF) FY19 - FY23., and previously the Country Partnership Strategy (FY13 - FY18), as well as IFC's own Country Strategy – the latest also from FY19 to FY23. The portfolio of Partnership projects responded to identified priority needs and focused on working with the private sector to achieve its goals. It applied a proven and appropriate set of instruments in its work with government and business.
- **Coherence.** The Partnership demonstrates strong coherence with other donor and development agencies and IFC interventions. There was good alignment with the programming of DFAT and MFAT. The importance of working with the private sector and improving the conditions and opportunities for private investment is seen by relevant partners and stakeholders as correct and necessary. Around 75 per cent of the Partnership's 24 projects are rated High in coherence. Projects in finance and gender were mostly likely to be scored as High.
- **Effectiveness.** The diverse nature of the Partnership project portfolio makes it difficult to generalise across all sectors and projects. Some 54 per cent of projects were rated as High in effectiveness. Thirty-three per cent were rated as Medium. A significant development from April 2022 onwards was the resumption of office activities, and of international travel, following the pandemic. The IFC office creates a vital base for Partnership coordination and engagement with essential public and private partners. The IFC applied a sound project management system, which allowed outcomes to be identified in project Implementation Plans and Project Supervision Reports (PSRs). Project Completion Reports (PCRs) are rigorous documents that examine outcomes and results. Combined, these PSRs and PCRs form the basis of reports to the Partnership Steering Committee through six-monthly progress and annual reports, which include details on projects developments, and information on those that have closed during the most recent reporting period. Partnership progress reports applied a traffic lights system to identify projects on track to achieving their

outcomes, those at risk of falling behind, and those requiring immediate attention to get them back on track.

- **Efficiency.** About half of the Partnership projects scored High in efficiency. Partnership resources, such as funds, staffing and organisational capacities, were well coordinated and managed across the Partnership. These were carefully directed towards achieving the Partnership objectives and high-level goals. A consistent challenge across the Partnership portfolio has been the time taken in project implementation. The average project has taken around three years to implement. Although COVID-19 significantly influenced this. The end-of-term evaluation finds that the management and governance arrangements of the Partnership were efficient. Indeed, the Partnership governance structures were well suited to the Partnership program overall.
- **Impact.** Drawn from PCRs, which apply a rigorous assessment of each project's impact based on the project's results chain and the outcomes achieved, only eight projects were rated as having a High impact. These were mainly in the finance and energy sectors. Many projects were required to be reconfigured, and did not always attain their ambitious targets, either because of COVID-19, or their overly complex design that relied on many project partner interventions.
- **Gender.** Gender was highlighted in many projects as a cross-cutting theme, reflecting the Partnership's efforts to ensure its projects were designed, managed and monitored in a gender-sensitive manner. IFC is to be commended for its efforts in this. Despite this, many projects were ranked as Low in the gender evaluation criterion. This primarily reflects the number of projects, early in the Partnership lifespan, that did not undertake a gender analysis or pay specific attention to how the project could enhance its gender outcomes. This problem was addressed for some active projects in 2022 when IFC undertook a gender review, based on a recommendation in the mid-term evaluation (MTE), completed in 2021.
- **Sustainability.** Partnership projects were well-designed and cognisant of most emerging risks. A central criterion by which projects are assessed is the extent to which they created a lasting change in market systems and business behaviour, directly influencing the project's sustainability. Here, again, projects in the finance sector performed well, with five out of the six finance projects rating High. There are several instances where Partnership projects led to changes in market systems that have affected the performance of the private sector and are likely to affect future market and business performance positively.

## History of the PNG Partnership

The PNG Partnership grew out of the regional Pacific Partnership. It was originally signed as a sub-Partnership to Pacific Partnership in March 2015 between DFAT and IFC. Then, in May 2017, DFAT signed an Annex that created the Partnership in its own right. Called the DFAT-IFC PNG Partnership, it extended the duration of activities from June 2018 until June 2022. In June 2017 New Zealand's MFAT joined the PNG Partnership.

When DFAT and MFAT decided to increase their financial contribution in May 2018, an amendment was signed. This saw the PNG Partnership split and referred to as PNG Partnership I (PNG-I) and PNG Partnership II (PNG-II). PNG-I covered March 2015 – June 2022, and PNG-II covered May 2018 – June 2022.

The PNG Partnership (PNG-I and PNG-II) was extended, on a no-cost basis, by DFAT and MFAT from 30 June 2022 until 30 June 2023, based on the recommendation from the MTE, undertaken in the first half of 2021.

A fundamental difference between PNG-I and PNG-II relates to their goals. When the goals of PNG-I were designed in 2015, they incorporated targets. However, when the PNG Partnership was amended in May 2018 – leading to the creation of PNG-II – the goals of PNG-II did not incorporate these targets, as is reflected below.<sup>1</sup> PNG-II focused on seven thematic areas: agriculture, tourism, power, financial markets, digital technology, public-private partnerships (PPPs), and gender, which was treated as a crosscutting theme.<sup>2</sup>

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<sup>1</sup> It is understood that the shift in goals reflected an informal decision to drop specific targets. This was based on experience in PNG-I in which it was found that there is considerable time taken for targets to be achieved and that specific targets were not helpful.

<sup>2</sup> IFC (2019) *Australia-New Zealand-IFC Papua New Guinea Partnership; Annual Report – July 2018 to June 2019*, IFC, Sydney.

<b>PNG Partnership I</b>	<b>PNG Partnership II</b>
<b>Partnership Goals</b>	<b>Partnership Goals</b>
1. Mobilise US\$250 million in new private sector investment in PNG through IFC interventions.	1. Mobilise new private sector investment in PNG through IFC interventions.
2. US\$10 million in private sector cost savings achieved through regulatory reforms.	2. Generate private sector cost savings through regulatory reform.
3. 30,000 people with improved economic opportunities in PNG productive sectors.	3. Increase the number of people reached with improved economic opportunities in PNG productive sectors.
4. 5,000 SMEs with improved access to financial services.	4. Increase the number of SMEs with improved access to financial services.
5.1. 300,000 people experiencing improved access to basic financial services in PNG, of which 50% are women.	5.1. Improve men and women's access to basic financial services.
5.2. 150,000 women experiencing improved access to financial services.	5.2. Number of women experiencing improved access to basic financial services.
6. 50,000 women with improved economic empowerment.	6. Strengthen and promote women's economic empowerment.
7. 100,000 with improved access to infrastructure.	7. Increase access to infrastructure.

Since 2015, through to December 2022, DFAT and MFAT have committed approximately US\$38.3 million to the PNG Partnership over the two phases (i.e., PNG-I and PNG-II). The final tranches of NZ\$500,000 (US\$310,000) and A\$3.57 million (US\$ 2.4 million) remain undisbursed, as agreed between DFAT, MFAT, and IFC.

The total value of PNG Partnership I and II funding received is US\$35.6 million; after accounting for fees, the amount available for projects is US\$33.9 million. IFC spent US\$23.3 million to 31 December 2022, leaving US\$10.6 million unutilised. Of this unutilised amount, US\$3.5 million was allocated and unspent, with US\$7.1 million unallocated (this includes business development funds).

While the PNG Partnership between IFC, MFAT and DFAT concludes on 30 June 2023, it will be extended with just DFAT through to March 2025.

This report presents the findings of an end-of-project evaluation conducted from April to June 2023. The evaluation covers all the activities undertaken by the IFC from March 2015 to December 2022 and builds on the MTE conducted in the first half of 2021. The evaluation answers two evaluation questions:

1. To what extent were Partnership goals achieved?
2. Beyond the Partnership goals, what development outcomes and impacts were achieved by the portfolio project?

As of the end of December 2022, the value of funds committed to projects was nearly US\$21 million –, including the no-cost extension.<sup>3</sup> In addition, a total of US\$1.6 million was committed to three new projects approved during the no-cost extension period and an additional activity under Accelerate2Equal. These are:

1. Pacific Integrated Environment, Social and Governance (ESG, approved in August 2022).
2. Establishing a Peer Learning Platform for the Centre for Women in Trades (under Accelerate2Equal, approved in March 2023).
3. PNG Non-Bank Financial Institution (NBFI) Transformation Phase 2 (approved in March and June 2023).

<sup>3</sup> The exact figure is US\$20,996,931 (i.e., PNG-I US\$9,377,556 and PNG-II US\$11,619,375).

4. Credit Corporation Transformation Technical Assistance (approved in March 2023).

The Partnership has supported 26 projects since its inception. The finance sector contained the highest number of Partnership projects (31%), followed by agriculture (15%) and gender (15%), and public-private partnerships (PPPs, 12%).

**Achievement of Partnership goals**

When examining the extent to which the Partnership goals were achieved, the evaluation found that half were achieved—indeed, exceeded—while half were not. It should be noted that the seven goals were principally applied in PNG Partnership-I (PNG-I). While the same goals were used to guide project selection in PNG Partnership-II (PNG-II), additional indicators for the later years of PNG-II were made, when individual project-level activities were agreed. These were typically framed at the outcome, which is most appropriate for a program of this nature.

Time is one of the most significant challenges for the Partnership. Project implementation has proved to be time-consuming, but because of the nature of many projects, the results and impacts of project interventions also take time and vary from sector to sector. Moreover, not all projects are likely to contribute directly to the Partnership goals.

None of the projects commenced in the no-cost extension period has produced results, assessed to December 2022. Indeed, they are more likely to feed into further interventions that appear well designed and demand driven.<sup>4</sup>

**Achievement of Partnership outcomes**

When examining the extent to which the Partnership produced development outcomes, the evaluation found many significant achievements that warrant recognition. Partnership projects have produced valuable outcomes that establish a significant pathway towards the desired results. Indeed, the Partnership has greater control over creating outcomes (i.e., outcomes achieved through project outputs used by project partners and beneficiaries). Moreover, it is more realistic to attribute Partnership project achievements at the outcome level than at the impact level, where external factors are more likely to influence results, either positively or negatively.

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<sup>4</sup> These are: Pacific ESG, PNG Non-Banking Financial Institutions Phase 2, Accelerate2Equal Phase 2, and Credit Corporation Transformation TA.

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## List of abbreviations

A\$	Australian Dollar
ADB	Asian Development Bank
DCED	Donor Committee for Enterprise Development
DFAT	Department of Foreign Affairs and Trade (Australian Government)
CPF	Country Partnership Framework
CPS	Country Partnership Strategy
COVID-19	Coronavirus Disease of 2019
FCP	Financial Consumer Protection
IEG	Independent Evaluation Group (WBG)
IFC	International Finance Corporation
IPP	Independent power producer
MDF	Market Development Facility
MFAT	Department of Foreign Affairs and Trade (New Zealand Government)
MTDP III	PNG's Medium-Term Development Plan for 2018–22
MTE	Mid-Term Evaluation
NZ	New Zealand
NZ\$	New Zealand Dollar
OECD-DAC	Organization for Economic Cooperation and Development, Development Assistance Committee
PCR	Project Completion Report
PNG	Papua New Guinea
PNG-I	PNG Partnership Phase 1 (March 2015 – June 2022)
PNG-II	PNG Partnership Phase 2 (May 2018 – June 2022)
PPP	Public-private Partnership
PSD	Private sector development
PSDI	Private Sector Development Initiative (ADB)
PSR	Project Supervision Report
SMEs	Small and medium-sized enterprises
TVET	Technical and Vocational Education and Training
US\$	United States Dollar
WBG	World Bank Group
WINvest	Women in Business

## 1. Introduction

In March 2015, a sub-Partnership of the regional Pacific Partnership between Australia’s Department of Foreign Affairs and Trade (DFAT) and the International Finance Corporation (IFC) was created to fund IFC’s advisory activities in PNG through to 30 June 2018. The value of the PNG sub-Partnership was A\$20 million<sup>5</sup>, and a set of seven goals with indicative numeric targets were used to guide IFC’s business engagement and project prioritisation in PNG—see Figure 1.

The Partnership supports the vision in which ‘the IFC works in Partnership with the governments of Australia and New Zealand to create opportunities for people: spurring the private sector to boost sustainable growth and jobs, cut poverty, and help island nations tackle their unique development challenges.’<sup>6</sup>

**Figure 1: PNG Partnership I Goals**

PNG Partnership I Goals	
Goal 1:	Mobilize US\$250 million in new private sector investment in PNG through IFC interventions
Goal 2:	US\$10 million in private sector cost savings achieved through regulatory reforms
Goal 3:	30,000 people with improved economic opportunities in PNG productive sectors
Goal 4:	5,000 SMEs with improved access to financial services
Goal 5:	300,000 people experiencing improved access to basic financial services in PNG, of which 50 per cent are women
Goal 6:	50,000 women with improved economic empowerment
Goal 7:	100,000 with improved access to infrastructure
SOURCE: IFC (2016) Australia-New Zealand-IFC Pacific Partnership and Australia-IFC Papua New Guinea Partnership; Semi-Annual Progress Report – July to December 2015, IFC, Sydney	

DFAT PNG and IFC formally agreed to separate the management of PNG activities from the DFAT-IFC Pacific Partnership in May 2017 and established a stand-alone arrangement called the PNG Partnership. Under this arrangement, the existing activities and funding from the initial sub-Partnership were rolled into the new Partnership and the duration of activities was extended to 30 June 2022, with additional funding of A\$20 million.<sup>7</sup> While the same goals were used to guide project selection, additional indicators for the outer years of the Partnership (i.e., FY19 and beyond) were made when individual project-level activities were agreed. This focused the Partnership on seven thematic areas: agriculture, tourism, power, financial markets, digital technology, public-private partnerships (PPPs), and gender, which was treated as a crosscutting theme.<sup>8</sup>

New Zealand’s Ministry of Foreign Affairs and Trade (MFAT) joined the PNG Partnership in June 2017 with a contribution of NZ\$2.5 million for activities to 30 June 2022. In June 2019, MFAT increased its contribution with an additional NZ\$10 million.<sup>9</sup> Under the PNG Partnership, the MFAT funding was co-mingled with the existing funds from DFAT. See Figure 2 below.

Since 2015, through to December 2022, DFAT and MFAT have committed approximately US\$38.3 million to the PNG Partnership over the two phases (i.e., PNG-I and PNG-II). The final tranches of NZ\$500,000 (US\$311,000) and A\$3.57 million (US\$ 2.4 million) remain undisbursed, as agreed between DFAT, MFAT, and IFC. The total value of PNG Partnership I and II funding received is US\$35.6 million; after accounting for fees, the amount available for projects is US\$33.9 million. IFC spent a total of US\$23.3 million to 31 December 2022, leaving US\$10.6 million unutilised. This is up from the US\$18.9 million spent reported in the December 2020 Semi-Annual Progress Report.

<sup>5</sup> The exact figure is A\$20,019,000.

<sup>6</sup> IFC (2018) *In Partnership: Australia, New Zealand and IFC*, IFC, Washington DC.

<sup>7</sup> The final tranche of A\$3.57 million (US\$ 2.4 million) remain undisbursed, as agreed between DFAT, and IFC

<sup>8</sup> IFC (2019) Australia-New Zealand-IFC Papua New Guinea Partnership; Annual Report – July 2018 to June 2019, IFC, Sydney.

<sup>9</sup> The final tranche of NZ\$500,000 (US\$311,000) remains undisbursed, as agreed between MFAT and IFC.

Of the 10.3 million unutilized, US\$3.5 million was allocated and unspent, with US\$7.1 million unallocated, including business development funds.<sup>10</sup> Further discussion on the Partnership underspend is presented in Section 3.4.

The independent MTE, conducted in 2021, recommended a no-cost extension. This was subsequently agreed to, and the Partnership was extended, through an Amendatory Letter, by a year, to 30 June 2023. This created scope for new projects.

**Figure 2: PNG Partnership I and II; Funding Arrangements**

<b>PNG Partnership I: March 2015 – June 2023</b>	<b>PNG Partnership II: May 2018 – June 2023</b>
DFAT contribution A\$20,019,000 MFAT contribution NZ\$500,000 (i.e., Tranche 1 funding amount)	DFAT contribution A\$20,000,000 Received contribution is A\$16,430,000, as IFC and DFAT have agreed not to issue a call for the final tranche of A\$3,570,000. MFAT contribution NZ\$2,000,000 (tranches 2-5; of the 2.5m signed in June 2017). Received contribution is NZ\$1,500,000, as IFC and MFAT have agreed not to issue a call for the final tranche NZ\$500,000. Additional MFAT contribution NZ\$10,000,000.
PNG-I Partnership funds three remaining projects (Pacific Renewable Energy Generation, Interoperable Switch and PNG Hospital PPP Mount Hagen). Results from these projects, together with those already closed, are captured in PP-I.	All other projects are funded out of PP-II Partnership, and their results are only captured in this PP-II.
SOURCE: PNG Partnership (2022) Progress Report July 2022 to December 2022, IFC, Sydney	

Since its inception, the PNG Partnership (i.e., Partnerships I and II) has supported 26 projects. This includes three projects that were approved during the no-cost extension spanning 1 July 2022 to 30 June 2023.

<sup>10</sup> PNG Partnership (2022) Progress Report July 2022 to December 2022, IFC, Sydney.

Figure 3 below presents a brief overview of all projects. Annex 5.4 provides more details on these projects and some assessment comments referred to when presenting the evaluation findings in Chapter 3.

**Figure 3: PNG Partnership I and II; Projects Supported**

<b>PNG Partnership I: 10 Projects</b>			
<b>Project Name</b>	<b>Value (US\$)</b>	<b>Start/End Dates</b>	<b>Status</b>
1. Interoperable Switch (component of Pacific Payment Systems project)	500,000	12/2015 30/06/2022	Closed
2. PNG SME Tax	1,700,000	16/02/2015 31/12/2019	Closed
3. Lighting PNG Extension	1,500,000	11/2016 30/06/2019	Closed
4. Pacific Women in Business (WINvest)	2,100,000	01/07/2014 31/12/2019	Closed
5. Pacific Westpac M-Banking	300,000	15/02/2014 31/12/2017	Closed
6. Agriculture PNG	427,556	01/07/2013 30/09/2018	Closed
7. Pacific Renewable Energy Generation (also funded by Pacific Partnership-II)	1,500,000	06/2017 31/03/2021	Closed
8. PNG Hospital PPP	1,000,000	29/06/2018 30/06/2021	Closed
9. PNG Tourism	1,500,000	01/07/2017 30/06/2020	Closed
10. Tourism Baseline Study (component of PNG Tourism project)	350,000	11/2015 07/2016	Closed
<b>Total project value (Phase 1, US\$)</b>	<b>10,877,556</b>		

<b>PNG Partnership II: 13 Projects (to June 2022) plus three projects approved since July 2022 (and an additional allocation to Accelerate2Equal for a new activity).</b>			
<b>Project Name [ID number]</b>	<b>Value (US\$)</b>	<b>Start/End Dates</b>	<b>Status</b>
1. PNG SME Competitiveness Project	1,500,000	08/01/2019 30/06/2023*	Closed
2. Capital Markets Development – PNG	1,426,000	18/09/2017 30/06/2023*	Closed
3. PNG Consumer Protection	1,457,547	21/05/2018 30/06/2023*	Closed
4. PNG Gulf	280,000	12/2017 12/2018	Closed
5. PNG Cassava	1,100,000	04/02/2020 30/06/2022	Closed
6. Kina Bank PNG TA	1,200,000	01/11/2018 31/12/2021	Closed
7. PNG Affordable Housing PPP	150,000	05/04/2018 30/06/2021	Closed (Follow-on project ongoing)
8. PNG Remote Grid Independent Power Producer	1,600,000	16/04/2019 30/06/2023	Active: Implementation
9. PNG Markham/Ramu Commercial Agriculture Development Program	300,000	23/05/2019 31/12/2020	Closed
10. PNG Women's Technical and Vocational Education and Training (TVET) – Feasibility	250,000	16/05/2019 30/06/2021	Closed
11. Bel Isi PNG	270,000	23/07/2019 01/03/2023*	Closed
12. PNG Non-Banking Financial Institutions	155,000	11/2021 05/2022	Closed
13. Accelerate2Equal – Phase 1	671,236	04/2022 06/2023	Active: Implementation
<b>Approved since 30 June 2022</b>			
1. Pacific ESG	325,000	11/2021 06/2025	Active: Implementation
2. PNG Non-Banking Financial Institutions Phase 2	673,195	03/2023 12/2023	Active: Pre-implementation
3. Accelerate2Equal – Phase 2 (additional allocation to establish a Peer Learning Platform, Centre for Women in Trade)	781,236 (+110,000 Peer Learning Platform)	06/2023 09/2026	Active: Implementation
4. Credit Corporation Transformation TA	500,000	02/2023 01/2025	Active: Implementation
<b>Total project value (Phase 2, US\$)</b>	<b>11,146,742</b>		
* Project closure dates extended in no-cost extension period.			

As the figure above shows, all PNG-1 projects have been completed, while three projects in PNG-II remain active. The value of funds committed to projects is just over \$US22 million<sup>11</sup> (i.e., PNG-I US\$10.9 million<sup>12</sup>; and PNG-II US\$11.1 million, including the four projects approved during the no-cost extension period.<sup>13</sup>

The figure below shows the distribution of projects by sector.

**Figure 4: PNG Partnership I and II; Projects Supported by Sector through to June 2023**

Sectors	Number of Projects	Percentage
Agriculture	4	15%
Energy	2	8%
Finance	8	31%
Public-private partnerships (PPP)	3 (1 Energy; 1 Health; 1 Housing)	12%
Small and medium-sized enterprises (SMEs)	2	8%
Tourism	2	8%
Gender	4	15%
ESG	1	4%
Total	26	100%

Note: Includes projects approved in the no-cost extension period of PP-II.

The seven thematic areas agreed to for the Partnership are agriculture, tourism, power, financial markets, digital technology, PPPs, and gender, which is treated as a crosscutting theme. Thus, SMEs are not a 'thematic area', and the projects in this sector identified are mostly related to investment climate reform. Digital technology does not feature in any projects as a specific topic. However, the use of digital technologies is accommodated in some of the finance projects. The new Pacific ESG is not in a single sector.

As the figure above shows, the finance sector contained the highest number of Partnership projects (31%), followed by agriculture (15%) and gender (15%), and PPPs (12%).

<sup>11</sup> The exact figure is US\$22,024,298.

<sup>12</sup> The exact figure is US\$10,877,556.

<sup>13</sup> The exact figure is US\$11,146,742.

## 2. End-of-term evaluation

This end-of-term evaluation follows an earlier 2021 MTE. The summary of the main MTE findings and the approach and methodology of the end-of-term evaluation are presented below.

### 2.1 Mid-term evaluation 2021

The independent MTE conducted between March and June 2021 assessed “the Partnership’s overall progress towards promoting private sector development in PNG.” This included the activities undertaken from March 2015 through to December 2020. Overall, the Partnership was found to be relevant to and aligned with the priorities, policies, and strategies of IFC, Australia and New Zealand. Partnership governance was also found to be sound.

In addition to recommending a 12-month no-cost extension, the MTE made four other recommendations, which were agreed to by DFAT and MFAT:<sup>14</sup>

- **Strengthen support for donor coordination.** It was recommended that DFAT and MFAT consider how donor coordination in private sector development (PSD) in PNG can be improved.
- **Improve the design and monitoring of gender mainstreaming.** It was recommended that the IFC gender team and IFC industry gender focal points conduct a review with project teams where gender is not well integrated and for new projects to identify opportunities to close the gender gaps identified and develop interventions and adjustments to the relevant monitoring and evaluation frameworks.
- **Conduct independent project evaluations.** It was recommended that IFC present a proposal to the PNG Partnership Steering Committee for the independent evaluation of at least three projects before the end of the PP-II no-cost extension in June 2023.
- **Improve longer-term program alignment.** It was recommended that the PNG Partnership Steering Committee consider the opportunities for strengthening the Partnership’s longer-term alignment with Australian, New Zealand, IFC, and PNG priorities and strategies. Particular attention was given to the emergence of the new Australian-PNG Economic Development Partnership, put in place by DFAT from 2021 onwards.

### 2.2 End-of-term evaluation questions

The end-of-term evaluation covers all the activities undertaken by the IFC from March 2015 to December 2022. It builds on the findings, conclusions and recommendations of the 2021 MTE.

Annex 5.1 contains the terms of reference for the end-of-term evaluation.

The evaluation answers two questions:

1. To what extent were Partnership goals achieved?
2. Beyond the Partnership goals, what development outcomes and impacts were achieved by the portfolio projects?

With the PNG Partnership extending with DFAT through to March 2025 this evaluation’s findings, conclusions and recommendations may help guide this period.

### 2.3 Approach and methodology

The end-of-term evaluation has examined the overall management of the PNG Partnership and its portfolio of projects. A mixed methodology was applied to evaluate the PNG Partnership, incorporating quantitative and qualitative measures.

This began with a desk review of a wide range of PNG Partnership and project documents. This included the program documents, progress and annual reports, Partnership agreements, project concept notes, Implementation Plans, Project Supervision Reports (PSR), Project Completion Reports (PCRs), and any other relevant documentation.

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<sup>14</sup> See Australian High Commission (2022) IFC Mid Term Review, [Management Responses](#), March 2022.

Following the desk review, stakeholder and beneficiary consultations were undertaken. These were conducted as personal and online interviews. A mission to Port Moresby was conducted in the week beginning 1 May 2023.

Measuring the impact of the Partnership on beneficiaries is challenging in a programme of this nature. In many projects, the beneficiaries can only be identified later in the project cycle and often it is difficult to identify a representative beneficiary group. For example, projects related to capital markets, consumer protection, SME taxation, digital payment systems and PPPs are difficult to identify clear beneficiary representatives. To address this, the evaluation has collected and reviewed data related to the impact of projects beyond their closure to accommodate these challenges (e.g., value of transactions had been routed through digital payment systems to February 2023, value of internal revenue generated since reforms were introduced). The MTE sought data from various beneficiary groups (e.g., farmers survey) and where this was relevant this data has been used. In most cases, these project cycles were completed on or around the MTE and following up further with these beneficiaries a second time was not considered warranted. Section 4.2 provides an account of Partnership outcomes, including impacts on likely beneficiaries.

The evaluation applied an evaluation matrix based on the Organization for Economic Co-operation and Development's (OECD) Development Assistance Committee (DAC) *Principles for Evaluation of Development Assistance*.<sup>15</sup> The actual criteria represent a modified version of OECD-DAC and were presented in the terms of reference for this evaluation. These criteria are relevance, coherence, effectiveness, efficiency, impact, gender, and sustainability. An evaluation matrix was prepared and is presented in Annex 5.2. All projects were assessed based on the matrix. In addition, the terms of reference identify the need for lessons to inform the development of future IFC Advisory Service programs and for IFC, DFAT and MFAT.

### 3. Evaluation Findings

This chapter presents the findings of the evaluation based on the assessment of the 26 funded projects, and the project portfolio in totality.<sup>16</sup> The presentation of evaluation findings is organised according to the OECD-DAC criteria, as discussed in Chapter 2, and based on the evaluation matrix presented in Annex 5.2. Details on projects, including the scores assigned for the evaluation criteria, are presented in Annex 5.4.

The figure below presents the results of the project assessments based on the OECD-DAC criteria. The end-of-project evaluation findings are drawn from the review of each project and the findings of the overall Partnership portfolio and program design, management and monitoring.

**Figure 5: Evaluation of PNG Projects by Sector Using OECD-DAC Criteria (PNG Partnership I and II)**

SECTOR	PROJECT	EVALUATION CRITERIA						
		1	2	3	4	5	6	7
Agriculture	Agriculture PNG (Phase I)	L	L	L	L	L	L	M
	PNG Gulf (Phase II)*	H	H	H	M	N/A	M	N/A
	PNG Cassava (Phase II)	M	M	M	M	M	L	L
	PNG Markham (Phase II)*	H	H	H	M	N/A	L	N/A
ESG	Pacific ESG	H	H	-	-	-	H	H
Energy	Lighting PNG Extension (Phase I)	H	H	H	H	H	L	H
	Pacific Renewable Energy Generation (Phase I)	H	H	H	H	H	L	M
Finance	Interoperable Switch (Phase I)	H	H	H	H	H	M	H
	Pacific Westpac M-Banking (Phase I)	H	H	H	H	H	L	H
	Capital Markets Development (Phase II)	H	H	H	H	H	M	H

<sup>15</sup> OECD-DAC (1991) *Principles for Evaluation of Development Assistance*, OECD, Paris.

<sup>16</sup> As is reflected in Figure 3, in the no-cost extension period of July 2022 - June 2023, two of the three additional projects approved by the PNG Partnership occurred after December 2022. As such, these fall outside the scope of this evaluation. In the case of Pacific Integrated ESG, it is too early to assess this project, as it has not had time to produce results at the outcome and development impact level.

	PNG Consumer Protection (Phase II)							H
	Kina Bank PNG TA (Phase II)							H
	Non-Banking Financial Institution	H	H	H	H	N/A	H	N/A
	NBFI Transformation (Phase II)	-	-	-	-	-	-	-
	Credit Corporation Risk TA	-	-	-	-	-	-	-
PPP (Health)	PNG Hospital PPP (Phase I)*	M	M	M	L	N/A	L	N/A
PPP (Housing)	PNG Affordable Housing PPP (Phase II)	M	M	M	L	N/A	L	N/A
PPP (Energy)	PNG Remote Grid IPP (Phase II)							L
SME	PNG SME Tax (Phase I)	H	H	M	M	L	L	M
	PNG SME Competitiveness Project (Phase II)							
Tourism	PNG Tourism (Phase I)	H	H	H	H	M	H	M
	Tourism Baseline Study (Phase I)*	H	H	H	H	N/A	H	N/A
Women	Pacific WINvest (Phase I)							H
	PNG Women's TVET (Phase II)*	H	H	M	H	N/A	H	N/A
	Bel Isi PNG (Phase II)*	H	H	M	M	N/A	H	N/A
	Accelerate2Equal		H	-	-	-	H	-

NOTE: Column Legend: 1 = Relevance; 2 = Coherence; 3 = Effectiveness; 4 = Efficiency; 5 = Impact; 6 = Gender; 7 = Sustainability. \* Impact and Sustainability criteria are not applied to diagnostic or scoping studies. Thus, are marked as non-applicable (N/A). See Annex 5.4.  
Note: NBFI Transformation and Credit Corporation Risk TA are not assessed as they commenced after the period captured in the evaluation (i.e., after December 2022).

The results of the end-of-term criteria assessments are discussed in more detail below.

### 3.1 Relevance

#### End-of-Project Evaluation Theme: Relevance

To what extent has the portfolio of Partnership projects responded to the needs of the client (private sector and client government agencies)? Including responding to the evolving needs of clients through the COVID-19 pandemic.

When evaluating the relevance of a project, the end-of-project evaluation determines the extent to which the intervention objectives and design respond to beneficiaries, country and partner needs, policies and priorities, and continue to do so if circumstances change.<sup>17</sup>

#### Government and private sector alignment

As the implementing agent, IFC has ensured the Partnership responded to the needs of the private sector and government partners (i.e., described by IFC as “clients”). During the period under review, The World Bank Group (WBG) developed two strategies – the PNG Country Partnership Strategy (CPS; FY13-FY18), and the PNG Country Partnership Framework (CPF; FY19-FY23), while IFC developed its own Country Strategy (FY19-FY23). The CPF was developed after consultations with the Government, civil society organisations and the public and is aligned with PNG’s *Medium-Term Development Plan for 2018–22 (MTDPIII)*, as well as Vision 2050 and the *PNG Development Strategic Plan 2010–2030*.

The PNG Partnership performed well regarding its relevance to country, partner and beneficiary needs. The relevance criterion in the above figure (i.e., Figure 6, Column 1) shows the extent to which supported projects were aligned to national development frameworks and priorities. Around 80 per cent of the Partnership’s 24 projects are rated High in relevance. In those cases where projects scored less (i.e., Medium or Low) the concern was mainly with the relevance of the project’s design rather than in the apparent need or demand it was responding to. For example, while health services and agriculture are highly relevant sectors, the concern was whether all the projects

<sup>17</sup> The term “respond to” means that the objectives and design of the intervention are sensitive to the economic, environmental, equity, social, political economy, and capacity conditions in which it takes place. See [OECD Evaluation Criteria](#).

in these areas were relevant to partners and beneficiaries. These concerns typically arose in projects in agricultural, business environment reform and PPPs. Projects in finance and gender were mostly likely to be highly relevant.

The 2021 MTE recognised the relevance of Partnership interventions in the agriculture sector, particularly the need for more private investment in agriculture, the development of agribusinesses and the creation of viable, commercial agricultural markets. Indeed, this aligns closely with the Government of PNG and the priorities of Australia, New Zealand and IFC. However, the concern of some agriculture projects is with the extent to which the projects responded to beneficiary and partner needs and capacities. Similarly, support for PPPs is justified based on providing a much-needed mechanism for mobilising the private sector and lessening the burden on public finances. However, the scope and challenges these projects face within the PNG context were less apparent in their justification and design. While IFC has considerable experience globally and regionally in supporting PPPs, it is not clear they can be achieved within the timeframe established by the PNG Partnership.<sup>18</sup> Typically, PPPs are risky endeavours in a country like PNG and require substantial time.<sup>19</sup>

The World Bank Group's 2023 *Performance and Learning Review of the PNG Country Partnership Framework FY19-23* notes the changes in the country context that took place since the CPF was prepared and acknowledges the difficulty in operating in what it describes as "a protracted fragile, conflict and violence context." While the COVID-19 pandemic and elections in 2022 contributed to increased risks, the underlying drivers of fragility existed before these events. Indeed, the CPF, informed by a 2019 Risk and Resilience Assessment, identified the drivers of social exclusion and fragility as a lack of employment and limited female participation in the labour force.

### **Responding to demand and technical support**

The portfolio of Partnership projects responded to identified priority needs and are largely suitable to its resources and capacities. The Partnership focused on working with the private sector to achieve its seven goals and has applied a proven and appropriate set of instruments. This is largely focused on the provision of technical advice, which includes a variety of activities, including research, surveys and diagnostic studies, the drafting of policies, strategies, laws, regulations, etc., the development of business cases and investment plans, training, skills development and capacity building, coordination and process management, and the facilitation of public-private dialogue. Overall, these resources are well suited to the kinds of projects the Partnership supports.

### **Responding to the evolving needs of clients amid COVID-19**

The Partnership was found to respond quickly and effectively to the COVID-19 pandemic. However, this dramatically affected project delivery and, in some cases, performance.

The 2021 MTE was conducted during COVID-19 and found that the pandemic affected the operation of all active projects, including those that are mostly completed, pending the production of a PCR. As a result, all operational projects were required to make changes to their modalities. This affected all project timeframes and milestones (i.e., timebound deliverables) considerably. Some projects postponed public consultations and were forced to rely on IFC technical advice being provided online (e.g., PNG Consumer Protection, 602330). Others were so severely hit by the effects of COVID-19 and related policy changes that they were required to reconfigure and determine what is possible in the remaining time (e.g., PNG Cassava and PNG Affordable Housing PPP).

As the COVID-19 pandemic took hold, a virtual Steering Committee meeting held in June 2020 outlined several responses taken by the partnership. The IFC also reported it was engaged in discussions with DFAT and MFAT and had submitted a high-level proposal for developing a dedicated platform on infrastructure and PPPs.<sup>20</sup> During the

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<sup>18</sup> It is noted that one factor impacting the IFC PPP work in PNG was the government's decision to disband the PPP Unit in the Department of Treasury in early 2020. This greatly has affected the government's ability to coordinate and support work on PPPs.

<sup>19</sup> The World Bank Group's 2023 *Performance and Learning Review of the PNG Country Partnership Framework FY19-23* noted that the IFC continues to pursue PPPs in the energy and affordable housing sectors. These, the review says, "are expected to mobilise private investment in due course."

<sup>20</sup> In June 2020, the WBG Board approved IFC's response to COVID-19 pandemic. The paper, *Saving Lives, Scaling-up Impact, and Getting Back on Track*, contains three key pillars (1) Relief, focusing on immediate health, social, and economic impacts; (ii) Recovery and restructuring, focusing on strengthening health systems, livelihoods, jobs, and education; and (iii) Resilience, focusing on the long-term development changes to better absorb shocks.

November 2020 Steering Committee, which was also a virtual event, IFC reported tracking the impact of COVID-19 on the portfolio. The social restrictions introduced by the PNG Government disrupted the IFC's "fly-in-fly-out" or "hub-and-spoke" model as international travel was halted, placing "greater emphasis on leveraging local expertise." IFC also undertook webinars and was to explore the use of a "virtual meeting room" to improve operational efficiencies.<sup>21</sup> However, the 2021 MTE reported that, while digital solutions can be used to replace physical interactions, there are limitations to how effectively these solutions can be employed in PNG where connectivity and access to information and communications technology is not universal. The IFC hub-and-spoke model does not appear to have been particularly sensitive to COVID-19 disruption. Should more international staff have been in Port Moresby, they would likely have been repatriated, possibly creating greater disruption to the programme.

COVID-19 also delayed the resumption of IFC Port Moresby office activities, and international travel. This also had the broader effect of limited engagements with relevant government and private sector partners. The PNG Government removed COVID-related travel restriction on 5 October 2022. By then, the IFC had reduced its travel restriction to Tier 1 in April 2022 and the new Country Representative moved to Port Moresby in May 2022.

The Partnership demonstrated flexibility and pragmatism in responding to the COVID-19 pandemic. While this was an unanticipated external shock of global proportions, IFC should be commended for the speed in which it acted, and the effort required to reconfigure project implementation plans and results measurement.

## 3.2 Coherence

### End-of-Project Evaluation Theme: Coherence

To what extent have project interventions complemented and established synergies with other IFC, World Bank, DFAT, and MFAT Programs in PNG, and the Government of PNG's priorities?

When evaluating the coherence of a project, the end-of-term evaluation determined how well the Partnership interventions fit (i.e., their compatibility with other interventions in the country, sector or institution). This refers to the extent to which other interventions, particularly policies, support or undermine the intervention and vice versa. It includes internal coherence (i.e., synergies and interlinkages between the intervention and other interventions, and the consistency of the intervention with the relevant international norms and standards) and external coherence (i.e., the consistency of the intervention with other actors' interventions, including complementarity, harmonisation and coordination with others, and the extent to which the intervention is adding value while avoiding duplication of effort).<sup>22</sup>

The PNG Partnership demonstrates strong coherence with government aspirations and the work of other donor and development agencies, as well as with other IFC interventions. In addition, there appears to be good alignment with the programming of DFAT and MFAT. The importance of working with the private sector and improving the conditions and opportunities for private investment are seen by all relevant partners and stakeholders as correct and necessary. Around 75 per cent of the Partnership's 24 projects are rated High in coherence. Projects in finance and gender were mostly likely to be scored as High.

### External and internal alignment

The Partnership has sought to ensure its supported projects are aligned with the priorities, policies and strategies of IFC, Australia and New Zealand. When it came into effect, the goals of the PNG Partnership were mutually agreed to by IFC, DFAT and MFAT. Later, IFC's priorities were consistent with the WBG PNG CPF that became operational in July 2019.<sup>23</sup> This is internally aligned to IFC's PNG Country Strategy, which describes how IFC can increase private sector development in PNG, projecting potential private investment outcomes based on policy reforms, which also help inform WBG development policy operations. Rather than develop a separate PSD

<sup>21</sup> Steering Committee Meeting of the Australia-New Zealand-IFC PNG Partnership, Thursday, 12 November 2020, virtual meeting via Webex; Minutes of Meeting.

<sup>22</sup> See [OECD Evaluation Criteria](#).

<sup>23</sup> The CPF (FY2019–2023) accommodates the work of the International Bank for Reconstruction Development, the International Development Association, the Multilateral Investment Guarantee Agency, and the IFC.

framework for the PNG Partnership, DFAT, MFAT and IFC adopted the CPF, which contains three objectives for enabling private sector development and inclusive growth in non-resource sectors.<sup>24</sup>

The 2021 MTE found that more could be done to improve longer-term program alignment. It was recommended that the PNG Partnership Steering Committee consider the opportunities for strengthening the Partnership's longer-term alignment with Australian, New Zealand, IFC, and PNG priorities and strategies. This was particularly important given the expected introduction of the new, and separate, Australian-PNG Economic Development Partnership.

The Australian-PNG Economic Partnership commenced in March 2022 and will run until February 2026, with an option for a further four-year extension to February 2030. This A\$200 million Partnership seeks to:<sup>25</sup>

Help PNG create a resilient and diversified economy, able to weather boom and bust cycles commonly experienced by resource rich economies. Australia's efforts will assist PNG in its efforts to achieve sustained growth, capable of lifting standard of living of all citizens. Through the Partnership, Australia will maintain its reputation as PNG's economic partner of choice.

The Partnership has five pillars, each of which shows a high degree of overlap or connection with the PNG Partnership:

1. Macroeconomic management.
2. Public financial and revenue management systems.
3. Economic enabling environment (i.e., business regulation, capital and finance, access to land and labour).
4. Focal areas (i.e., agriculture and resources).
5. Economic research and dialogue.

While DFAT has sought to ensure the Australian-PNG Economic Development Partnership is relevant and properly aligned with PNG needs, policies and priorities, this does not appear to have featured in the PNG Partnership Steering Committee deliberations. In light of the additional no-cost extension of the PNG Partnership between IFC and DFAT, renewed efforts to consider the alignment of the Australian-PNG Economic Partnership and the PNG Partnership are recommended. This could lead to a clearer articulation of how these interventions support economic and business environment reforms and market development and PSD. A better program alignment would also improve donor coordination and be more conducive to more effectively integrating gender as a crosscutting theme while creating more opportunities for stronger synergies across groups of projects.

The Partnership has also sought to engage with other relevant donor and development agency programmes as illustrated in the following examples:

- PNG SME Competitiveness – Biosecurity Bill. DFAT, together with PHAMA Plus were involved in the discussions and formulation of the Biosecurity Bill through several consultation sessions. PHAMA Plus participated actively in the Biosecurity Policy Consultation Workshop in Port Moresby in August 2021.
- PNG Capital Markets Project. Several meetings were held with the Asian Development Bank (ADB) Private Sector Development Initiative (PSDI) to collaborate and share information. A virtual meeting was held in

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<sup>24</sup> The CPF is structured around three focus areas: (1) improving macro and fiscal resilience; (2) ensuring more effective and inclusive service delivery, particularly in underserved areas; and (3) enabling private sector development and inclusive growth in non-resource sectors. Within the third focus area, three objectives are set out: (3.1) improve MSME competitiveness and access to financial services; (3.2) improve competitiveness and productivity of agriculture and tourism; and (3.3) deepen economic participation of women and youth. Prior to the CPF in 2019, that Partnership adopted specific priorities. For example, in the amended agreement between DFAT and IFC in 2017, several priority activities were agreed to (i.e., increasing access to finance via strategic partners; increasing investment and productivity of mid-sized companies; facilitating private sector investment in infrastructure; accelerating women's economic empowerment; and formalizing agribusiness and supply chains). See: 2017 Annex 11 to the amended and restated administration arrangement between the Government of Australia, represented by the Department of Foreign Affairs and Trade and International Finance Corporation for the Financial Support of Various IFC Programs to be funded out of the DFAT-IFC global advisory services trust fund (TF071889); Allocation Document for the DFAT-IFC PNG Partnership.

<sup>25</sup> For further information see DFAT (2020) *Australian-PNG Economic Partnership, Draft Investment Concept*, Canberra.

May 2022 between IFC and ADB-PSDI to share information on what projects and clients each party was engaged with. This included the draft Financial Consumer Protection (FCP) Bill, Capital Market Development, PNG Securities Commission and Finance Projects. ADB-PSDI shared their draft Capital Markets Strategy with IFC for comments and assured IFC that their reviews and amendments to the Capital Market Act would not affect IFC's work on Corporate Bond Orders. The Securities Commission approved the Corporate Bond Orders in September 2022 and endorsed by the National Executive Council (Cabinet) in July 2023, paving the way for Corporate Bond to be issued on the national stock exchange.

- Financial Consumer Protection (FCP) Bill. The ADB was involved in the initial consultations on the bill, and the draft FCP Bill was shared with ADB-PSDI for comments. ADB-PSDI commented on the drafting instructions for the FCP Act in November 2020. IFC provided a response to those comments in December 2020. PSDI concerns were mostly related to potential tensions with the Personal Property Security Act, among others. These were responded to and addressed in the current version of the draft bill.

### Alignment mechanisms

The primary mechanism for aligning the priorities, policies and strategies of IFC, Australia, and New Zealand occurred through the agreement signed by all parties. The PNG Partnership Steering Committee met formally every six months and comprises DFAT, MFAT and IFC representatives. Regular discussions with DFAT/MFAT outside the Steering Committee process also took place through bi-monthly check-ins.

All project proposals are submitted to the Steering Committee as Project Initiative Notes for approval.<sup>26</sup> These follow a strict format and provide a clear and concise argument as to how the proposed intervention directly contributes to (a) one or more of the Partnership's strategic priorities; (b) one or more of the Partnership's high-level development goals; and (c) broader strategic priorities as identified in the CPF, the national development strategy and plan, and DFAT and MFAT country strategies. The committee also updates members on issues related to the Partnership and on the performance of funded projects. Thus, the Steering Committee provides an essential opportunity for DFAT, MFAT and IFC to discuss and ensure alignment of the Partnership.

The seven goals defined in PNG-I—along with the specific themes identified in PNG-II—were used to guide the selection of projects. Project Initiative Notes identified market failures and development problems that projects were designed to address. This process has worked well, as has the process behind the internal production and assessment of Project Initiative Notes before they reach the Steering Committee for consideration. There are clear examples of how synergies between projects have leveraged more considerable changes in market systems and business behaviour. This is particularly clear in the finance sector, where five projects were developed. In other sectors, the process was more linear (i.e., where a diagnostic study leads to a project or where an earlier project leads to a second project in the same or related field). These cases were less focused on creating synergies.

The 2021 MTE noted that there was no PNG Partnership-wide theory of change. Instead, the Partnership goals established in PP-I provide a guiding framework for project design and approval. Project Initiative Notes present the justification for project based on relevance and alignment and identified market failures. Identified market failures are largely based on analysis by the WBG, such as the *PNG Systematic Country Diagnostic*.<sup>27</sup> Once approved by the Steering Committee, an Implementation Plan is prepared. This contains the theory of change for the project contained in a results framework. This process is well organised and robust.

The WBG PNG CPF FY19-FY23 presents a relevant framework for projects to base a theory of change on. This accommodates for a wide range of projects that can be supported by the Partnership. While this procedure works well in general, it appears to work better in some sectors and markets than others. As the discussion further below shows, there are some sectors and markets where the Partnership appears to not be working as effectively as others. Thus, there may be value in defining a sharper strategic focus in these areas, leading towards a sector-based theory of change based on a careful analysis of the sector and markets and the IFC instruments available to the Partnership.

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<sup>26</sup> Project Initiative Notes are based on internal Concept Notes. The IFC produce Concept Notes, Implementation Plans and Supervisory Notes, which are only used internally and are not shared with the Steering Committee.

<sup>27</sup> World Bank Group (2018) *Systematic Country Diagnostic: The Independent State of Papua New Guinea*, World Bank, Washington, DC.

### 3.3 Effectiveness

#### End-of-Project Evaluation Theme: Effectiveness

How well did the Partnership respond to recommendations from the PNG Partnership mid-term evaluation?  
 To what extent has the design and delivery of projects under the Partnership been able to adapt to new needs, including as a result of COVID-19?  
 To what extent was value for money delivered across the Partnership?  
 How adequate has the risk assessment and the M&E systems of the PNG Partnership program been?

When evaluating the effectiveness of a project, the end-of-project evaluation determined the extent to which the intervention achieved or is expected to achieve its objectives and its results.<sup>28</sup>

#### Variations across sectors

The diverse nature of the Partnership project portfolio makes it difficult to generalise across all sectors and projects. As the figure above shows, some 54 per cent of projects were rated as High in effectiveness. Thirty-three per cent were rated as Medium. It was not possible to rate effectiveness in a few cases. Projects in the finance sector were rated most effective. So too were those in tourism. However, the tourism projects were fewer and applied different modalities. The two energy projects also rated highly.

#### Well formulated and coordinated inputs

Citing the 2021 MTE findings, DFAT's PNG Partnership Annual Investment Monitoring Report 2023 suggests that the Partnership project inputs and activities were well formulated and coordinated. The end-of-project evaluation confirms this view. Projects benefited from IFC's extensive experience in project management and relied on IFC systems and procedures. The IFC has demonstrated an ability to bring in high-quality expertise, and all Partnership projects benefited from the IFC's experience in project management and alignment with institution-wide performance management and results measurement systems.

While COVID-19 delayed the implementation of many projects, the Partnership was able to continue to work with its partners. Partnership activities largely returned to normal with the reopening of the country in the course of 2022.

#### IFC Port Moresby office

A significant development from April 2022 onwards was the resumption of normal office activities and international travel, which had been curtailed by the COVID-19 pandemic (as discussed above). The IFC Port Moresby Office creates a vital base for Partnership coordination and engagement with essential public and private partners. IFC applies a hub-and-spoke approach to managing human resources for the Partnership. This model centres around the Sydney Office, with a Country Manager located in Sydney and a Resident Representative in Port Moresby, responsible for government and other partner liaison and coordination. Subject specialists in Sydney and other regional offices in Asia and the Pacific are brought in to provide technical advice, including the leadership of specific projects. This is provided through technical missions or online engagements. The IFC claims this is an efficient and effective model that it applies to many country and regional engagements. An alternative model, which would see more technical experts permanently based in PNG, would, according to the IFC, be more expensive and less capable of attracting the kinds of technical assistance with broad experience in global best practices. Under the current project portfolio, a change to this system does not appear justified. However, should the number of projects increase significantly, it may be necessary to reconsider whether overall coordination and management can be managed by the Country Director alone and whether more human resources located in PNG are required.

While the hub-and-spoke model was found to be vulnerable to the disruption created by COVID-19, it is unclear whether any other model would have been more resilient. During COVID-19, businesses and governments were all required to operate under severe restrictions. Indeed, the government ran with a skeleton staff. As mentioned earlier, if the IFC had more international staff located in Port Moresby, these would likely have been quickly repatriated as COVID-19 commenced.

<sup>28</sup> Analysis of effectiveness involves taking account of the relative importance of the objectives or results. See [OECD Evaluation Criteria](#).

## Results and outcome reporting

Outcomes are identified in the project Implementation Plans and Project Supervision Reports. Project Completion Reports (PCRs) report on the achievement of outputs, outcomes and development results. This reporting appears rigorous but remains a largely internal IFC process. DFAT and MFAT have indicated that they would like to receive these documents as a standard process via the Steering Committee. IFC also reports to the Steering Committee on the achievement of outcomes through six-monthly progress and annual reports, which include details on projects that have closed during the most recent reporting period.

Partnership progress reports apply a traffic lights system to identify projects on track to achieving their outcomes, those at risk of falling behind, and those requiring immediate attention to get them back on track.

All Partnership projects benefit from the IFC's institution-wide performance management system. Project teams are supported by a team of results measurement specialists spread across East Asia, the Pacific and Washington DC who oversee the design of results measurement frameworks and the formulation of monitoring metrics. The Results Measurement Team is very aware of the challenges of measuring results within the Partnership portfolio.

## 3.4 Efficiency

### End-of-Project Evaluation Theme: Efficiency

To what extent have the management and governance arrangements of the Partnership been efficient, including the role of the Steering Committee and its members in implementing interventions and delivering outcomes, documenting project progress and risks, communicating budget details communicated to donors, and documenting Partnerships activities and results?

When evaluating the efficiency of a project, the end-of-term evaluation determines how well the project's resources were used (i.e., the extent to which the intervention has delivered, or is likely to deliver, results in an economical and timely way).<sup>29</sup>

Based on the summary of Evaluation Criteria scoring presented in Figure 5, about half of the Partnership projects scored High in efficiency. As discussed above, Partnership resources (i.e., funds, staffing, and organisational capacities) were found to be well coordinated and managed across the Partnership. These were carefully directed towards achieving the Partnership objectives and high-level goals.

### Project timeframes

A consistent challenge across the Partnership portfolio has been the time taken in project implementation. While the COVID-19 pandemic significantly delayed the implementation of many projects, many were highly complex and required more time than initially envisaged. There were several reasons for this, including the high level of ambition for many projects, a strong reliance on government approvals and capacity, and a high number of project partners. While many IFC senior staff and advisers acknowledged the difficulty of working in PNG (e.g., due to political economy challenges, weaknesses in government capacity and a weak private sector), the desire to create an impact encouraged projects that, at least in hindsight, required more time.

One case in point is the PPPs. While it is recognised that PPPs have the potential to generate high volumes of much-needed private investment in PNG, they can be risky projects requiring a high level of coordination and much time. This is likely to exceed the timeframe of a typical Partnership project, particularly in terms of the time taken to achieve results at the impact level.

The table below presents data on the implementation time for all Partnership projects, as presented in Annex 5.5. It suggests that the average project has taken around three years to implement. While some of these projects were very short (e.g., a one-month study for the Non-Banking Financial Institution project [ID: 606718] and nine months for the Tourism Baseline Study [ID: 602271]), others have taken considerable time (e.g., five years for the PNG Remote Grid IPP [ID: 603545] and almost five years for the Capital Markets Development [ID: 602232]). As explained above, COVID-19 played a role in this. However, the time taken to implement these projects should not be underestimated in the design phase.

<sup>29</sup> See [OECD Evaluation Criteria](#).

**Figure 6: Project Implementation Times (PNG Partnership I and II)**

Project Name	Implementation Period (Months)
Interoperable Switch (Finance)	79
PNG Remote Grid IPP (PPP Energy)	60
Pacific WINvest (Women)	60
PNG SME Tax (SMEs)	59
Capital Markets Development – PNG (Finance)	58
PNG Consumer Protection (Finance)	56
Accelerate2Equal (Women)	48
PNG Tourism (Tourism)	48
Pacific Renewable Energy Generation (Energy)	46
Agriculture PNG (Agriculture)	45
PNG SME Competitiveness Project (SMEs)	42
Kina Bank PNG TA (Finance)	38
Pacific Westpac M-Banking (Finance)	36
Pacific ESG (ESG)	36
PNG Hospital PPP (PPP Health)	36
Lighting PNG Extension (Energy)	32
PNG Cassava (Agriculture)	29
Bel Isi PNG (Women)	16
PNG Women's Technical and Vocational Education and Training (TVET) – Feasibility Study (Women)	14
PNG Gulf (Agriculture)	13
Tourism Baseline Study (Tourism)	9
PNG Affordable Housing PPP (PPP Housing)	2
Non-Banking Financial Institution (Finance)	1
PNG Markham/Ramu Commercial Agriculture Development Program (Agriculture)	1
Non-Banking Financial Institution Phase II (Finance)	N/A
Credit Corporation Risk TA (Finance)	N/A
<b>TOTAL TIME</b>	<b>883</b>
<b>MEAN TIME</b>	<b>36</b>
SOURCE: Based on data collected from project documentation. See Annex 5.5.	

Since the lifting of COVID-19-related restrictions from April 2022 onwards, IFC accelerated project delivery, maximising the use of time and resources with its projects and the delivery of outcomes and impact. In addition, the following factors were found to contribute to project efficiencies:

- Strategic management and performance.** The Steering Committee shared vital information among IFC, DFAT and MFAT, promoting strategy alignment and creating a forum for discussing results and new developments. Beyond the twice-yearly Steering Committee meetings, the monthly check-in meetings benefitted all parties, creating the opportunity for deep-dive discussions on specific projects, themes or sectors. Despite this, DFAT and MFAT have expressed concern that the Steering Committee sometimes fluctuated from providing too little information to providing too much. While it is an essential mechanism for effective programme performance, there is an ongoing need to ensure that the committee can, in fact, steer the programme.

- **Cost and value consciousness.** IFC managed costs and promoted value for money. The Partnership relied on IFC's broad experience and well-established processes for project design, management, monitoring, reporting systems, and its local presence.
- **Partnership behaviour.** Working with public and private partners allowed the Partnership to benefit from and build on local institutional and organisational resources.
- **Transparency and accountability.** A robust accountability mechanism was efficiently established by regularly publishing the Progress Reports and Annual Reports for the Partnership.

While there are opportunities for improving efficiencies in specific projects, when working with partners, the overall management of the Partnership has been efficient. The risk and risk mitigation practices presented in the project implementation plan have been well formulated and appear to represent a realistic assessment of the situation in PNG. These are revised through Project Supervision reports.

### **Governance structures**

The end-of-term evaluation finds that the management and governance arrangements of the Partnership have been efficient. Indeed, the Partnership governance structures are well suited to the Partnership program overall. The Steering Committee and bi-monthly check-ins have provided an essential mechanism through which partners can update one another on new developments and through which Project Initiative Notes can be discussed and either approved or rejected. The Steering Committee receives updates on all current projects along with financial reports. In addition, the Steering Committee creates an opportunity for partner representatives to engage in 'deep dives.' This is where specific projects or groups of projects (i.e., those working in a specific sector) can be discussed in more detail. The six-monthly progress reports submitted by IFC to the Steering Committee provide a succinct overview of the progress of Partnership projects, identifying any emerging risks or issues of concern. However, as indicated previously, DFAT and MFAT have expressed concern regarding their ability to sufficiently steer the Partnership. This does not appear to be a structural problem. Rather, it is procedural issue affected by the relevance and quality of information provided to the committee and the ability of the committee to provide timely and strategic guidance.

### **Value for money**

Value for money was achieved through the Partnership in several ways.<sup>30</sup>

First, by focusing on private sector partners, including private investors, the Partnership has been able to leverage funds beyond those provided by the project towards the desired development impact. More financial resources are directed to the outcomes and impact than the value of the project to the Partnership.

Second, by working with the private sector, the project's outcomes and impact have been more likely to be sustained over time. Thus, not only were more resources leveraged towards the project and its impact, but the projects' results were also more likely to be sustained over time. Sustainability is discussed further below.

Third, as described in the Mid-Term Evaluation, the Partnership has drawn on the IFC's capacity as an international development agency with broad experience working in markets and with the private sector, robust project design, management, monitoring, and reporting systems, and a local presence and networks in PNG. While there is a cost to these resources and some concerns regarding the bureaucratic burden on projects and partners, the Partnership

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<sup>30</sup> DFAT's Value for Money Principles seek to ensure the effective, efficient, economical and ethical management of the development program, in a way that advances Australia's national interests and achieves the Government's policy commitments. In pursuit of this, development engagements should: encourage competition and be non-discriminatory; be efficient, effective, economical and ethical; encourage appropriate engagement with risk; entail collaboration and Partnership; have an outcomes orientation; and be accountable and have transparent decision-making. Reference: Australian Government (2024) [International Development Programming Guide](#), DFAT, Canberra. MFAT defines value for money of activities as: 'Achieving the best possible development outcomes over the life of an activity relative to the total cost of managing and resourcing that activity and ensuring that resources are used effectively, economically, and without waste.' The three key aspects to assess are development outcomes, cost and effective and economic use of resources. Reference: New Zealand Government (2013) [Value for Money Guideline](#), July, MFAT, Wellington.

gained enormous value from this arrangement. The Partnership makes full use of IFC's project management and monitoring systems, including the tracking of project costs and the production of project outputs, outcomes and impacts.

At a project level, no clear tracking of value for money exists. Value-for-money assessments are not included in the Project Closure Reports. However, consideration is given to cost-benefit ratios when considering efficiency.<sup>31</sup>

### Donor coordination

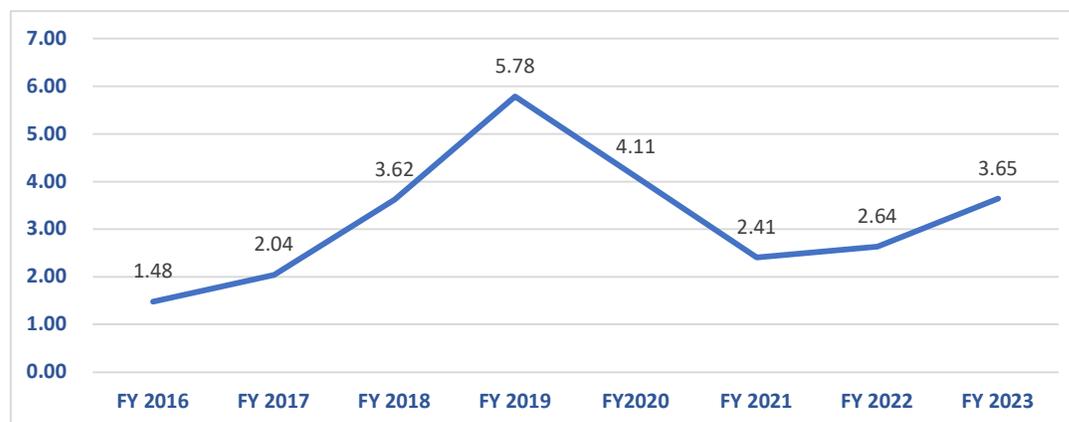
The 2021 MTE raised concerns regarding coordination among the donor and development agencies in PSD in PNG. The central concern was that IFC had not shared information with other agencies. Overall, there was a lack of information exchange and poor coordination or alignment of programs across the relevant agencies. However, this was a challenge that only DFAT and MFAT could adequately address, and a recommendation was directed towards these agencies. In their management response to the MTE recommendation, DFAT supported the recommendation and hosted a private sector and rural development partners forum in December 2022 to share lessons learned and indicated it would work with the PNG government to co-host a development partners form in 2022. The Australian-PNG Economic Partnership was also identified as a mechanism for improving donor coordination.<sup>32</sup> There is no national donor coordination mechanism for private sector development. IFC has indicated that it has engaged with other partners and shared information on a project-by-project basis. Some examples of this are presented in Section 3.2.

### The Australian-PNG Economic Partnership, described above, provides a new and strategic opportunity for DFAT to enhance donor coordination in this sector.

The 2021 MTE reported on a Partnership portfolio underspend. This was partly the rationale for the no-cost extension provided by DFAT and MFAT to June 2023, as well as DFAT's additional no-cost extension through to March 2025. The COVID-19 pandemic and other project-specific delays have contributed to this underspend. IFC spent a total of US\$23.3 million to 31 December 2022, leaving US\$10.6 million unutilized. Of this unutilized amount, US\$3.5 million was allocated and unspent, with US\$7.1 million unallocated (this includes business development funds).

The figure below shows the changes in annual Partnership Spend from FY2016 to FY2023. It shows a sharp decline in the COVID-19 years (i.e., from FY2019 to FY2021), with a slight increase in the last two financial years.

Figure 7. PNG Partnership: Spend FY16 - FY23 (USD million)



While the decline in annual spending is a direct result of COVID-19, the slower increase in annual spending is more difficult to explain. In part, COVID-19 was so disruptive to the project portfolio that it was impossible to

<sup>31</sup> However, there are instances where value for money is questioned. For example, the PCR for the PNG SME Tax project remarked, 'since the project has not yet generated any compliance cost savings for businesses, the Value for Money indicator could not be established' (p. 6). This project later became the SME Competitiveness project.

<sup>32</sup> See Australian High Commission (2022) IFC Mid Term Review, [Management Responses](#), March 2022.

recommence projects once social restrictions were removed. Indeed, all projects were hit hard by COVID-19. Indeed, some had to be terminated prematurely. The conceptualisation, scoping, design, and implementation of new Partnership projects take time, and the pattern of increase in annual spending since COVID-19 restrictions were lifted appears like the first two financial years of annual spending (i.e., from USD1.48m in FY2016 to USD3.62m in FY 2018, compared with USD2.41m in FY2021 to USD3.65m in FY2023). However, as Figure 3 shows, the value of active projects is relatively low, which raises concerns regarding the ability of the Partnership to lift its annual spending rate further.<sup>33</sup> Clearer and more proactive communication from the IFC to DFAT and MFAT on issues affecting the Partnership's ability to create new projects and ramp up existing ones within the program's lifecycle would have been useful ahead of consideration of the no-cost extension. This meant that it was difficult to create new projects or ramp up existing ones. However, as of January 2024, IFC believes it is confident and on track to achieve full Partnership spending by March 2025.

### 3.5 Impact

#### End-of-Term Evaluation Theme: Impact

What were key development impacts were achieved through this Partnership, and how well was this impact communicated? To what extent have project outcomes contributed to impact concerning the high-level Partnership goals?

When evaluating the effectiveness of a project, the end-of-term evaluation determines the extent to which the intervention has generated or is expected to generate significant positive or negative, intended or unintended, higher-level effects.<sup>34</sup>

Chapter 4 provides an account of the Partnership's high-level results based on the Partnership goals and an overview of the important outcomes each project achieved.

Applying the OECD-DAC Evaluation Criteria, this section focuses on the accounts of individual project achievements. This has primarily been drawn from the Project PCRs, which apply a rigorous assessment of each project's impact based on the project's results chain and the outcomes achieved. In some cases, these reports appear overly harsh.

Only eight projects were rated as having a high impact. These were mainly in the finance and energy sectors.

Many projects were required to be reconfigured and did not always attain their ambitious targets, either because of COVID-19 or their overly complex design that relied on many project partner interventions. Anticipated Partnership project impacts are presented in the project results framework, initially in the Implementation Plan. Thus, project outcomes are achieved using project outputs by beneficiaries and impact results, which are higher-level measures of the project's performance.

Figure 5, above, shows a score for impact, which indicates that about one-third of projects had a High impact. A handful of projects were not assessed for impact because they were studies or were designed to feed into a yet-to-be-approved future project. While finance and energy performed relatively well in the data presented in Figure 5, as has the single main project on tourism, there were challenges related to agriculture and PPP.

While agriculture is a strategically important sector in PNG, it contains significant barriers and constraints, including market constraints and severe challenges created by poor infrastructure and rugged physical terrain. A particularly important constraint is the limited number of middle-to-large lead firms that IFC can partner with to support private investments that drive growth in these markets. The 2021 MTE noted the difficulties IFC experienced in finding the right private sector partners in the agriculture sector and raised concerns about whether IFC had the right instruments and approach to supporting agriculture markets in PNG.

Similarly, PPPs have shown to be a challenge for the Partnership. PPPs are high-risk endeavours that can take considerable time to design and implement. While PPPs can be a potent mechanism for mobilising private investment, they are not a quick-fix solution. Despite this, two of the three PPP projects supported by the Partnership show positive prospects. However, the question remains whether the Partnership is the right mechanism to support PPP development over the timeframe these projects demand. Should the Partnership continue to support PPP

<sup>33</sup> Pacific ESG USD325,000 ending June 2025; PNG Non-Banking Financial Institutions Phase 2 USD673,195 ending December 2023; Accelerate2Equal – Phase 2 USD781,236 ending September 2026; and Credit Corporation Transformation TA USD500,000 ending January 2025.

<sup>34</sup> See [OECD Evaluation Criteria](#).

development, it would need to clearly articulate the sequencing of these projects with specific outputs that can be achieved within the typical timeframe of a Partnership project, recognising that outcomes would take longer. This is not to diminish the value of PPPs. Rather, to ensure all members of the Partnership are aware of and agreed to the longer timeframes required to produce results. IFC has indicated that they have a sequenced approach to developing PPPs. However, the challenge remains, as it does with all reform work with the PNG government, that government decision-making takes time. Delays in government decisions are the primary challenge.

### Reporting on results and impact

While the seven Partnership goals have provided a valuable justification for the Partnership and a set of impact-focused targets or aspirations, these are difficult to attain. These goals are challenging as measures of Partnership performance for two primary reasons.

First, the goals are subject to many external influences beyond the Partnership's control. The COVID-19 pandemic and political and stability challenges in PNG have vividly illustrated this. Because these factors are beyond the Partnership's control, they are poor performance measures.

Second, attainment of the goals will often take time that extends well beyond the completion of a single project. Indeed, it is likely that some results will only be achieved in three or four years once the Partnership has ended. While it may be possible to estimate the Partnership's likely impact in a few years, this again suggests that these goals are inadequate measures of Partnership or project performance.

The goals do not allow the Partnership to tell its story about how it works with government and businesses to achieve the desired impact. A more feasible and accurate measure of results is found at the outcome level. At this level, the Partnership has more control over the ways in which partners and beneficiaries use project outputs. Outcomes can be more easily attributed to project performance because they are generally produced quicker and are less vulnerable to uncontrolled external influences. A stronger focus on outcomes would allow the Partnership to communicate more effectively the way it works with government and business. It would strengthen the Partnership's attribution and provide a more compelling narrative about how it adds value to the work of PNG partners.

One typical way in which private sector development projects, such as the PNG Partnership, apply outcomes as a measurement tool is to assign a set of common outcome indicators across the program and to assign and tailor these to each project supported by the program. This provides a mechanism for monitoring progress and measuring results across the program, while accommodating the nuances of individual projects.<sup>35</sup>

## 3.6 Gender

### End-of-Project Evaluation Theme: Gender

To what extent did the Partnership ensure project activities and outputs were gender-responsive through adequate procedures and approaches, processes, capacity building initiatives as well as adequate resources?  
To what extent did IFC contribute to demonstrating and improving the business case for gender equality and women's empowerment?

IFC's Country Strategy for PNG identifies empowering women to improve employment prospects and increase access to jobs and assets as an area of priority. It includes the mainstreaming of gender across all areas of the program.

Gender was highlighted in many projects as a cross-cutting theme. This reflects a clear attempt to ensure the Partnership projects were designed, managed and monitored in a gender-sensitive manner. IFC is to be commended for its efforts in this. Despite this, many projects were ranked as Low in the gender evaluation criterion. This primarily reflects the number of projects, early in the Partnership lifespan, that did not undertake a gender analysis or pay specific attention to how the project could enhance its gender outcomes. This problem was addressed for some projects in 2022 when IFC undertook a gender review.

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<sup>35</sup> This approach is recommended in the Donor Committee for Enterprise Development (2017) Standard for Measuring Results in Private Sector Development, DCED, Cambridge.

IFC's M&E system collects sex-disaggregated data and includes indicators to measure gender equality outcomes. The IFC employs a system of 'gender flags' to identify those projects with specific relevance to gender.<sup>36</sup>

IFC has a specialist gender team working across the region. In addition, since January 2021, a gender specialist has been based in Port Moresby. This person supports a standalone in-country gender program, while supporting other projects to achieve gender-flagged outcomes and mitigate and advise on gender risks.

### **IFC gender review (2022)**

The 2021 MTE claimed they were "some very good projects focused on women's economic empowerment and several projects that integrated gender concerns effectively." However, it also raised concerns regarding the integration of gender in the Partnership program. It recommended that the IFC gender team and the IFC industry gender focal points "conduct a review with project teams where gender is not well integrated and for new projects to identify opportunities to close the gender gaps identified and develop interventions and adjustments to the relevant monitoring and evaluation frameworks."

IFC undertook the recommended review in 2022. This categorised the MTE findings into four gender-related themes for investigation:

1. Projects lack intentional, gender-focused activities.
2. Projects lack sex-disaggregated outcome measurements.
3. Gender interventions, when they exist, are shallow and do not consider underlying power structures.
4. Insufficiently strategic identification of which private sector-related gender gaps IFC is positioned to address.

The IFC review examined eight PNG Partnership projects (i.e., Affordable Housing PPP, Capital Markets Development, Consumer Protection, REPS, SME Competitiveness, PNG Mini-Grids PPP, PNG Cassava, and projects run by the Financial Institutions Group) and sought to identify:

- Previous and ongoing gender activities.
- Opportunities for future activities that have either been planned or can be incorporated into project plans.
- Processes or practices that can be introduced to strengthen gender mainstreaming in future projects.

The review found that the challenges faced in gender mainstreaming were primarily the result of a lack of strategic intentionality in design. While not all projects under the Partnership necessarily lend themselves naturally to a substantial gender component, some opportunities were not fully capitalised on. This was exacerbated by the substantial operational challenges and delays created by the COVID-19 pandemic. In some cases, the delivery of gender project components had not been adequately prioritised as project timelines and deliverables had been challenged. This was particularly the case for projects with government counterparts.

The review identified several areas where successful gender activities were undertaken (e.g., in the PNG Cassava project) or where substantial future gender activities were planned but were still to be completed (e.g., Mini Grids PPP). The review also proposed specific changes to projects that were still being implemented to ensure the gender outcomes would be maximised.

A key conclusion of IFC's gender review was that, given the prominence of gender-related issues in PNG, it is important that in the future, gender considerations be more systematically reviewed from the outset of a project. As such, priority should be given in future project design to consultation with the gender team and industry gender specialists from project inception to comment on gender-related risks and opportunities and to ensure these are considered from the outset.

There is also a consistent challenge in incorporating gender into market-level interventions such as regulatory reform, where gender-specific challenges or opportunities are not always clear. While it is true that a strong gender focus is not necessarily appropriate for all projects, the review recommended that teams more thoroughly integrate gender considerations into market or scoping studies at the early stages of project design so that complementary strategic market-level gender activities can be better identified and integrated into projects.

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<sup>36</sup> To be assigned a gender flag, a project must: (1) identify a particular gender gap; (2) design and implement an intervention to close that gap (i.e., does not need to be the main thrust of the project, just an intentional action); and (3) identify relevant indicators for monitoring the closing of the gender gap, including at least one at outcome level.

It is also important to create accessible and scalable examples to promote replication by companies in PNG. The review proposed that future project designs will follow three steps to ensure gender issues are systematically considered and addressed where appropriate in projects:

1. **Defining the gender gaps and problems.** Projects will include a scoping period to understand project stakeholders, the specific risks and challenges for women as stakeholders, and if necessary, conduct dedicated research to understand gender-related issues and opportunities.
2. **Gender interventions.** Deliberately design interventions to address the gaps identified as part of their project. Team leads can get assistance from colleagues in the Gender and Economic Inclusion Team, or sector gender focal points, who can also recommend specialised gender consultants.
3. **Monitoring and evaluation.** Incorporate gender considerations beyond input into project theories of change and reflect these in M&E and communications.

### **Gender analysis**

The 2021 MTE identified three projects that are specifically concerned with an aspect of women's economic empowerment in PNG (i.e., Pacific WINvest, 599352; PNG Women's Technical and Vocational Education and Training (TVET) Feasibility Study, 604167; and Bel Isi PNG, 604313). In addition, there are projects which, while not directed solely at women's economic empowerment, display a strong interest in these issues (e.g., PNG Tourism and the Tourism Baseline Study, 602271). Since the no-cost extension, one of the three newly funded projects (i.e., Accelerate2Equal, 606860) is specifically focused on women, while the other two (i.e., Pacific ESG, 605881, and Non-Banking Financial Institutions, 606718), have very pronounced, if non-exclusive focus on women's economic empowerment). Each of these projects have considered gender issues, often through advice provided by the IFC gender team.

### **Achieving gender outcomes**

The 2022 IFC gender review identified several areas where successful gender activities were undertaken or where substantial future gender activities were already planned but were likely to be completed outside of the timeframe of the Partnership. However, the review also proposed new activities that are appropriate, impactful and feasible in the remaining time under the Partnership. For example, the Capital Markets Development project with the PNG Stock Exchange now includes gender within training and standards.

Similarly, the IFC is helping the Bel Isi project to build the evidence base for workplace responses to family and sexual violence (FSV). This is expected to encourage more businesses in PNG to implement workplace support for staff affected by FSV, including by subscribing to Bel Isi. IFC's work enables firms to draw on evidence-based information to be better able to attract and retain female staff who may otherwise leave the workforce due to FSV, and therefore help increase access to more and better jobs for women and improve firm productivity.

The Women's Technical and Vocational Education and Training (TVET) project identified the demand and feasibility of establishing or adapting a new TVET training centre. As a result of this engagement, a Centre for Women in Trades (CWT) will be established, forming part of the Accelerate2Equal project. Preparation for the second phase CWT project is underway with designing a Peer Learning Platform on Women in Trades.

The review also recommended that IFC undertake targeted studies on barriers to women's participation in the formal private sector, building the business case for action by firms.

The World Bank Group's 2023 *Performance and Learning Review of the PNG Country Partnership Framework FY19-23* noted that the IFC's advisory work made important contributions to addressing "gender-related challenges". This includes establishing and building the capacity of the PNG Business Coalition for Women and increasing awareness of workplace responses to GBV.

### **Communicating gender outcomes and lessons learned**

IFC is increasingly aware of the importance of effective communication in this field. The influence of gender on good development outcomes is broadly acknowledged, and these issues are relevant for the private sector. The gender dimensions of development in PNG are common to many Pacific islands.

IFC has worked to showcase successful gender projects and models in PNG and the region through case studies, outreach and communication initiatives. For example, while gender is always a key part of the proposition to any financial institution or platform (e.g., supporting gender bonds or loans or targeting financial institutions that have a disproportionately female customer base), the lessons learned from IFC's engagement with Bank South Pacific are applied to further engagements with financial institutions. This includes ensuring a focus on the customer portfolio

(i.e., building in-house capabilities to understand and better serve women customers and offering innovative financial and non-financial offerings focused on women customers) and employment (i.e., assisting companies in PNG to build an inclusive, respectful and supportive workplace and maintain a strong company-wide culture of gender equality within the bank or financial institution).

### Disability

Disability is not a metric in PNG Partnership projects. However, going forward, IFC will include disability as a metric in relevant new projects under the Partnership, such as *Accelerate2Equal*. IFC is also in the process of conducting a study on disability inclusion in the private sector under the Pacific Partnership, with a focus on four Pacific countries, including Papua New Guinea. The findings of the scoping study will inform the design of future programmes, such as the Centre for Women in Trades project, and confirm appropriate disability metrics. Moreover, questions relating to disability inclusion have also been incorporated into the PNG childcare study to understand better the needs and challenges of working parents caring for children with disability. The Bel Isi end-line study will include data on employees with a disability to explore challenges and identify the support required.

## 3.7 Sustainability

### End-of-Project Evaluation Theme: Sustainability

To what extent are Partnership results/benefits and/or established processes, capacity and systems likely to be lasting, durable and resilient to risk?

When evaluating the effectiveness of a project, the end-of-term evaluation seeks to determine the extent to which the net benefits of the intervention continue or are likely to continue.<sup>37</sup>

Partnership projects were found to be well-designed and cognisant of most emerging risks. A central criterion by which projects are assessed is the extent to which they create a lasting change in market systems and business behaviour, which directly influences the project's sustainability.

Here, again, projects in the finance sector performed well, with five out of the six finance projects rating High. The sixth project, the NBF1 project, was not rated and falls outside the scope of this evaluation because it was only approved after December 2022.

### Challenges to sustainability

The 2021 MTE identified two challenges to sustainability experienced by the Partnership projects.

The first challenge resulted from COVID-19, a major disruption to project work plans (i.e., work timeframes for project delivery). Even at the time of writing the end-of-term evaluation in June 2023, the ongoing effects of the pandemic are still being realised. While COVID-19 affected the implementation of most projects, it had the potential to affect the sustainability of specific projects more profoundly. For example, COVID-19 and the social policy restrictions introduced in response to the pandemic severely disrupted tourism markets. Even in June 2023, how quickly these markets will recover remains very unclear. Thus, the sustainability of the results of the tourism projects is questionable. While projects related to financial markets, SMEs and women are, to varying degrees, more likely to be sustained. COVID-19 also affected the PPP projects, which were complicated and time-consuming, if for no other reason than COVID-19 occupied the minds of policymakers and potential investors.<sup>38</sup> The effort required to create a successful PPP is substantial, even in normal times. As crucial as PPPs are in a tighter fiscal environment for government and increasing demands for government services, the timeframes required for PPP assessment, design and implementation do not appear to match the much shorter timeframe of the PNG Partnership.

The second challenge identified by the MTE concerned the overall complexity of many projects required to engage with multiple partners. Highly complex projects require a high amount of coordination and management. With so many partners, it is easy for coordination to falter and for time delays to occur. While the no-cost extension has

<sup>37</sup> See [OECD Evaluation Criteria](#).

<sup>38</sup> Short-term international travelers were for all purposes not allowed into the country from March 2020 to April 2022.

provided additional time to complete projects, coming out of the COVID-19 pandemic, and to re-adjust project design and implementation challenges, there are lessons to learn about avoiding overly complex project designs.

#### **Empowering local partners for sustainability**

The Partnership has paid significant attention to building the capacity of local partners to deliver better, more market-responsive services and products. Perhaps one of the best examples is the work with PNG's Internal Revenue Commission (IRC) and the Small Business Tax (SBT) regime. In this project, IFC worked closely with IRC staff to build its capacity to streamline and simplify tax requirements for small and medium-sized businesses. This involved reviewing and providing guidance on simplifying processes (i.e., forms, payment processes, audit procedures), as well as assisting the IRC to undertake outreach and communication to SMEs in PNG to roll out the new tax regime. The staff interviewed for this evaluation highly appreciated the side-by-side support provided to them. Indeed, this is a good example of learning by doing, and the commission displays more confidence in the processes and systems required to continue and expand the new tax regime.

#### **Changing behaviours and firm performance**

There are several instances where partnership projects have led to changes in market systems that have affected the performance of the private sector and are likely to positively affect future market and business performance. As indicated above, five projects in the finance sector were particularly good in this regard. Elsewhere, the Lighting PNG Extension project (594427) and the Pacific WINvest project (599352) have shown substantial uptake by the private sector, which will continue to affect the performance of these markets.

The Lighting PNG Extension project (594427) is another example of a project that focused on sustainability. It drew on the IFC's global and regional network and introduced new suppliers of quality solar products to an emerging market. Simple in its design, if not somewhat complicated in the number of partners it worked with, this project has created important immediate results that are very likely to be sustained and to magnify its impact in the years to come.

While the Tourism project (602271) performed well and offered the scope to shift markets and improve the performance of businesses, COVID-19 undermined this market. The 2021 MTE recommended an external independent evaluation to identify the project's impact, lessons learned, and best practices to be shared. A World Bank Independent Evaluation Group (IEG) evaluation was undertaken in 2021 and rated the Tourism Project PCR as Unsuccessful, indicating that while the outputs were Satisfactory, all development effectiveness dimensions were rated negative. The IEG found that the commissioned consultancies did not yield any development results unless their recommendations are implemented effectively and that the theory of change or concept notes were insufficient for project design.

#### **Environmental and social standards**

The IFC applies its Environmental and Social Performance Standards to all its advisory projects.<sup>39</sup> The application of these standards is embedded in several IFC project design and management systems, which the Partnership benefits from. For example, all internal project Concept Notes are required to identify possible environmental and social risks, specifically 'Assessment and Management of Environmental and Social Risks and Impacts'. This flows through into the PSRs and the PCRs.

## **4. Partnership outcomes and results**

Based on the findings presented, the two questions raised in the terms of reference for this evaluation are addressed below.

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<sup>39</sup> The *IFC Environmental and Social Performance Standards* define IFC clients' responsibilities for managing their environmental and social risks. See: [IFC Environmental and Social Performance Standards](#).

## 4.1 Achievement of Partnership goals

The first principal end-of-term evaluation question was: To what extent were Partnership goals achieved?

The end-of-project evaluation examines results to 31 December 2022 (per the terms of reference). The figure below presents an overview of the Partnership project portfolio's goals and targets across both phases (i.e., PNG-I and PNG-II) achieved by 31 December 2022. It shows that half of the PP-I goals were achieved—indeed, exceeded—while half were not achieved.

**Figure 8: Cumulative results and the likelihood of goal achievement (December 2022)**

PNG-I Goal and Targets		PNG-I Cumulative Results (to Dec 2022)	PNG-II Cumulative Results (to Dec 2022)	Evaluation Comments
Goal 1	Mobilise US\$250 million in new private sector investment in PNG through IFC interventions.	US\$172,323 of private sector financing mobilised	No additional. The Capital Markets project was to contribute US\$50,000 but this has not yet been realised.	<b>NOT ACHIEVED</b>
Goal 2	US\$10 million in private sector cost savings achieved through regulatory reforms.	No cost savings generated. Based on the PNG SME Tax (592867).	US\$180,000 cost savings generated. Based on the PNG SME Tax (592867; now rolled into the PP-II-funded PNG SME Competitiveness, 601353).	<b>NOT ACHIEVED</b>
Goal 3	30,000 people with improved economic opportunities in PNG productive sectors.	19,855 people with improved economic opportunities. Based on Tourism and Agriculture PNG projects.	No additional. PNG Cassava reports 1,022 farmers reached directly and indirectly. However, it is unclear if these have "improved economic opportunities".	<b>NOT ACHIEVED</b>
Goal 4	5,000 SMEs with improved access to financial services.	2,422 SMEs with increased access to financial services. Based on the Pacific Payment Systems (Interoperable Switch).	No additional.	<b>NOT ACHIEVED</b>
Goal 5.1	300,000 people experiencing improved access to basic financial services in PNG, of which 50% are women. <sup>40</sup>	992,612 people experiencing improved access to basic financial services in PNG. This number only represents Pacific Westpac M-Banking project. The IFC suggests that the Pacific Payments System (Interoperable Switch) is also contributing to this goal, but the contribution is unquantified.	No additional.	<b>ACHIEVED (EXCEEDED)</b>
Goal 5.2	150,000 women experiencing improved access to financial services.	374,840 women experiencing improved access to basic financial services. This number only represents Pacific Westpac M-Banking project. The IFC suggests that the Pacific Payments System (Interoperable Switch) is also contributing to this goal, but the contribution is unquantified.	PNG Cassava reports 463 accounts opened by women.	<b>ACHIEVED (EXCEEDED)</b>

<sup>40</sup> IFC is seeking data to verify this claim.

Goal 6	50,000 women with improved economic empowerment.	450,454 women with improved economic empowerment. Based on PNG Tourism and Tourism Baseline Study (602271); Pacific WINvest (599352); Agriculture PNG (599409); Pacific Westpac M-Banking (599825).	No additional.	<b>ACHIEVED (EXCEEDED)</b>
Goal 7	100,000 with improved access to infrastructure.	3,351,372 people receiving access to improved services. Based on Pacific Renewable Energy Generation (600131) and Lighting PNG Extension (594427).	No additional.	<b>ACHIEVED (EXCEEDED)</b>
SOURCE: Progress Report July-December 2022				

It should be noted that the seven goals were principally applied in PNG-I. While the same goals were used to guide project selection in PNG-II, additional targets for the later years of the Partnership (i.e., FY19 and beyond) were made when individual project-level activities were agreed. This focused the Partnership on seven thematic areas: agriculture, tourism, power, financial markets, digital technology, PPPs, and gender, which was treated as a cross-cutting theme.<sup>41</sup>

As indicated earlier in this report, time is one of the greatest challenges for the Partnership. Project implementation has proved to be time-consuming, with Partnership projects taking an average of three years. However, because of the nature of many projects, the results and impacts of project interventions also take time. This varies from sector to sector. For example, PPPs typically take many years of implementation before the high levels of anticipated private investment are realised. In a country like PNG, expecting this to take five to eight years would not be unusual. By comparison, projects in the financial sector may be completed in a shorter period, despite being quite complex, and when completed, can lead to results that accumulate over time.

In addition, not all Partnership projects are likely to contribute directly to the Partnership goals. For example, the Partnership also contributed to business development activities such as studies and analysis to inform the potential for future projects (e.g., PNG Markham study, Tourism baseline study, PNG Women's TVET Feasibility Study, Non-Banking Financial Institutions, PNG Affordable Housing PPP, and PNG Remote Grid, and Bel Isi). While not directly contributing to a Partnership goal, this work depended on further interventions by suitable partners to support outcomes through the implementation phase.

None of the projects commenced in the no-cost extension period have produced results against the framework. Indeed, they are more likely to feed into further interventions that appear well designed and demand driven.

Some projects have recently closed or are soon to close, from which additional results can be anticipated. These include the PNG SME Competitiveness project (601353), the Bel Isi PNG project (604313), the Capital Markets Development PNG project (602232), and the Kina Bank PNG TA project (603602).

## 4.2 Achievement of Partnership outcomes

The second principal end-of-project evaluation question was: Beyond the Partnership goals, what development outcomes and impacts were achieved by the portfolio projects?

The previous section described the cumulative results or impact of the Partnership portfolio based on the stated goals of the Partnership. As discussed, while the Partnership has performed well overall, there are areas where it has underachieved. In many cases, the areas where the Partnership has fallen short result from the protracted timeframes of many projects—a problem that COVID-19 exacerbated. However, it is helpful to recognise that the Partnership projects have produced valuable outcomes that establish a significant pathway towards the desired

<sup>41</sup> IFC (2019) Australia-New Zealand-IFC Papua New Guinea Partnership; Annual Report – July 2018 to June 2019, IFC, Sydney.

results. Indeed, the Partnership has greater control over the creation of outcomes (i.e., outcomes achieved through project outputs by project partners and beneficiaries). Moreover, it is more realistic to attribute Partnership project achievements at the outcome level than at the impact level, where external factors are more likely to influence results, either positively or negatively.

The Partnership project portfolio has produced many development outcomes. These include:

**Figure 9: Partnership project outcomes (December 2022)**

PROJECT NAME [ID NUMBER]	OUTCOMES
Interoperable Switch	<p>BPNG adopting the legal framework and policies for the REPS; REPS Interchange Policy, REPS Settlement Policy, REPS Fee, REPS Service Level Agreement, System Rules and Procedure, and REPS Participation Agreement.</p> <p>About 66.8 million transactions had been routed through REPS to the value of about US\$ 2.68b (February 2023).</p>
PNG SME Tax	<p>This project, which transitioned into the SME Competitiveness Project, laid the groundwork for supporting PNG's Internal Revenue Commission implement a new small business tax regime with much more simplified arrangements for small businesses compared to the normal income tax regime previously applied to all types of enterprises regardless of their size. During this project the government agreed to simplifying the tax regime and have subsequently implemented the reforms, making it easier and cheaper for SMEs.</p>
Lighting PNG Extension	<p>Two market assessment reports were developed to assess market dynamics and generate interest in the PNG market, and a Lighting PNG report was also produced.</p> <p>Consumer awareness of the quality aspects of QV products as well as availability.</p> <p>LPNG engaged Lighting Global quality standards experts and worked with PNG Government stakeholders, including ICCC (regulator), NISIT (standards body), and DPE (Department of Petroleum and Energy) to establish a framework aligned to the Lighting Global test methods.</p> <p>A comprehensive Policy Brief and White Paper on the Adoption of Standards for Stand-alone Solar Kits in PNG submitted to PNG Government with options for adoption and enforcement. The approach was promoted among government officials and other relevant stakeholders at a multi-stakeholder workshop. There is in principle agreement to implement the recommendations, including the establishment of a technical committee to oversee adoption and implementation. In a letter to IFC NISIT recognised the important role IFC has played in supporting the adoption of the LG quality standards.</p>
Pacific Women in Business (WINvest)	<p>Capacity building (via advisory services) to two PNG corporations: NCS (formerly National Catering Service, now known as NCS) and Rhodes.</p> <p>Capacity building of the Business Coalition for Women (BCFW; increased membership). BCFW now operates as an independent business membership entity in PNG.</p> <p>Technical advice provided to 85 entities through the BCFW: 1,100 people in 76 workshops, trainings and awareness raising events. This led to 369 policies or practices recommended for adoption, improvement or elimination and eleven new products or training modules developed (e.g., a suite of services on GBV and the workplace, model policies on anti-sexual harassment and non-discrimination, policy and training on gender smart safety, certificate IV business leadership course, workplace mentoring course, and a business networking skills course).</p> <p>Successfully leveraged the joint IFC-WBG study: <i>The Fruit of Her Labour: Promoting Gender-Equitable Agribusiness in Papua New Guinea</i>, for new initiatives aimed at maximising women's participation in and benefit from the cocoa and coffee sub-sectors as part of the World Bank's Productive Partnerships in Agriculture project and a new component on fresh produce under the IFC Agribusiness project.</p>
Pacific Westpac M-Banking	<p>Two analysis reports produced.</p> <p>Mobile banking diagnostic review and technical assistance led to some improvements in the product capability of Banking-on-the-Go (i.e., Westpac's mobile banking) through merchant onboarding and management, new product designs based on human-centred design methodologies and more entrenched management buy-in to the mobile banking program.</p> <p>The gender diagnostic sought to assist Westpac more effectively target women by identifying ways to increase activity for both users and InStore merchants. The Westpac lead on mobile banking was able to use the report and findings as an effective means of gaining buy-in.</p> <p>As a result of IFC's recommendations, the locations of the InStores were re-organized to become more accessible. The diagnostics also helped Westpac implement its Choice Wantok program in PNG—a new low-cost banking option specifically developed to suit people in the Highlands of PNG.</p>

Agriculture PNG	<p>Changed farm management practices and certification: over 3,000 hectares of land belonging to more than 4,000 coffee farmers acquired sustainability certification. This has helped farmers gain access to expanding organic markets. In addition, some 5,000 coffee farmers and 2,000 cocoa farmers trained. Despite these valuable outcomes the cocoa project was terminated due to the sudden closure of Monpi Cocons operation in PNG.</p>
Pacific Renewable Energy Generation	<p>BSP introduced a new practice to include solar at all new branches and branch expansions. 77 grid-connected and 15 off-grid branches evaluated.</p> <p>Three large off-grid sites and eight on-grid sites in Port Moresby and Lae.</p> <p>One legal reform was achieved to permit rooftop solar in PNG (i.e., Rooftop Solar policy approved by the PPL Board in April 2018). Change of regulations helped unlock the solar rooftop market in PNG and helped create a framework and start a pilot with 2 MW of installations.</p> <p>In 2021, IFC published “Powering the Pacific”, a guide to investing in renewable electricity generation, focusing on PNG and other Pacific Islands.</p>
PNG Hospital PPP	<p>Transaction Structuring Report produced.</p> <p>The TSR remains with government for a decision on whether to take forward the project as a PPP. Recent discussions suggest the government is inclined to redevelop the hospital under a sole source arrangement through public procurement.</p>
PNG Tourism	<p>IFC partnered with PNG’s Tourism Promotion Authority on an international visitor survey and a tourism demand assessment. Five high value niche tourism markets for potential growth were identified. IFC also worked with local tourism and cruise operators to tailor their offering, with operators developing 12 new tour products.</p>
Tourism Baseline Study	<p>Analysis report produced.</p>
PNG SME Competitiveness Project	<p>Support to the National Agriculture and Quarantine Inspection Authority to modernise the biosecurity framework. A Biosecurity Policy was approved by the PNG Government in June 2022. NAQIA drafted a bill that still needs to be approved by the Government and enacted by Parliament.</p> <p>Introduction of the Small Business Tax regime through IFC’s support to PNG’s Internal Revenue Commission.</p>
Capital Markets Development – PNG	<p>Securities Commission approved new PNG Stock Exchange Debt Market Rules.</p> <p>Support to BPNG: designed and launched the Central Securities Depository system enabling digital certificates for the settlement of securities, and auctions to the secondary market.</p> <p>PNGX Board approved Corporate Governance Standards.</p>
PNG Consumer Protection	<p>Financial Consumer Protection Bill prepared and open for public comment—yet to be passed.</p> <p>Government capacity built: training, supervision manuals, and complaints templates.</p>
PNG Gulf	<p>Analysis report produced.</p>
PNG Cassava	<p>936 farmers participated in one or more productivity improvement trainings.</p> <p>197 deposit accounts were opened, 115 by women. Some 418 female farmers were reached (direct and indirect).</p>
Kina Bank PNG TA	<p>Improved capacity in Kina Bank’s IT networks, policies and procedures, human resources, and overarching operational capacity. Increase in the number of new products and services.</p>
PNG Affordable Housing PPP	<p>Analysis report produced. Continued engagement with possible partner and new mandate signed in 2023.</p>
PNG Remote Grid Independent Power Producer	<p>The analytical studies were well received and was referenced in PPL strategies and presentations.</p> <p>IFC and DFAT continued its engagement with PPL and in 2023 it is likely that a new phase of this project will be initiated dealing with five sites.</p> <p>In 2021, IFC published “Powering the Pacific”, a guide to investing in renewable electricity generation, which included a focus on PNG.</p>
PNG Markham/Ramu Commercial Agriculture Development Program	<p>Markham/Ramu Agricultural Growth Corridor report produced.</p>
PNG Women’s TVET – Feasibility Study	<p>A feasibility study which explored the viability of a “Centre for Women in Trades” (CWT) in Napa was completed.</p> <p>Groundwork laid for Centre for Women in Trade (see Accelerate2Equal project).</p>

Bel Isi PNG	Analysis report produced. Capacity building for the Business Coalition for Women. Increasing awareness of the impact of workplace harassment, bullying and domestic violence, as well as the need for childcare.
Pacific ESG	Analysis report produced. Groundwork laid for the next phase of project interventions.
Non-Banking Financial Institutions	Two analysis reports produced. Groundwork laid for the next phase of project interventions.
Accelerate2Equal	Project still underway.

The above table displays a wide range of valuable outputs produced by the Partnership project portfolio. While some of these are clearly more likely to contribute directly to results that are aligned with the Partnership goals than others, all projects have contributed to the Partnership's vision of creating opportunities for people by "spurring the private sector to boost sustainable growth and jobs, cut poverty, and help island nations tackle their unique development challenges."<sup>42</sup> The extent to which some projects have been better able to contribute to this vision more directly are described in the lessons learned section of this report.

### 4.3 Lessons

#### End-of-Term Evaluation Theme: Lessons

Which are the main lessons from the PNG Partnership experience for:

- Informing the development of future Advisory Service programs?
- For IFC/DFAT/MFAT?

The above end-of-term findings provide an opportunity to reflect on the performance of the Partnership and its projects and to identify lessons that may inform future work in this field.

- **IFC has been an effective implementing agency for engaging with government and the private sector.** While IFC has faced many challenges in implementing projects through this Partnership (e.g., responding to donor, client and partner demands quickly and flexibly), it has proven effective and efficient. It has been able to draw on its global networks and institutional competencies (e.g., project management and monitoring systems, risk assessment and mitigation systems) and its deep knowledge of private investment dynamics, which have benefited the Partnership.
- **Recognise the variations in sector demands, problems and opportunities.** While the Partnership has diligently sought to ensure alignment with the priorities, policies and strategies of IFC, Australia and New Zealand, this general framework alignment would benefit from more granular sector-specific coherence. Not all sectors and markets in PNG are the same, and the Partnership has worked better in some (e.g., finance) than in others (e.g., agriculture). Indeed, the 2021 MTE noted that despite significant differences across the sectors and markets the Partnership operates within, many project modalities were remarkably similar. Thus, more attention could be given to differentiating project strategies and the tools and resources the Partnership can apply to these.
- **Avoid overly complex projects.** While the Partnership is rightly focused on achieving significant development goals that impact markets and investment decisions, on several occasions, it has created overly complex projects with many partners, requiring careful timing and precise coordination. The lesson here is to avoid such overly complex projects and ensure these are kept within the absorptive capacity of partners and beneficiaries.
- **Allow more time.** Typical feedback from project partners is that they wished they had more time. While the urgency for achieving results within the Partnership's term is understood, this has been an apparent constraint for many projects. Wherever possible, Partnership projects should be provided with the time required to align project partner interests, adapt to changing circumstances and build partner capacities

<sup>42</sup> IFC (2018) *In Partnership: Australia, New Zealand and IFC*, IFC, Washington DC.

to the maximum extent possible. While taking more time has cost implications, it can contribute to more sustainable project results.

- **Improve timeliness and responsiveness.** Many project partners expressed concern regarding IFC's bureaucracy's slow speed in decision-making and procurement. While the Partnership benefits from the proven and robust management systems of IFC, there is a cost to this. In some cases, this problem can be overcome through contracting or collaborating with project implementers that can act more nimbly and flexibly.
- **Attend to gender dynamics.** While not all projects benefitted from a detailed gender analysis, IFC has developed gender indicators and a project monitoring and management system that has improved how projects address gender challenges. The IFC 2022 gender review has shown that it is never too late in a project's lifecycle to reassess how projects can be reconfigured to achieve better outcomes for women.
- **Regular 'deep dives.'** While it is understood that the regular bi-monthly 'check-in' meetings were useful to all members of the Partnership, investing in regular 'deep dive' discussions around the role of the Partnership in transforming markets and businesses in specific sectors and markets is beneficial.
- **Focus on outcomes rather than goals.** While the seven Partnership goals have provided a valuable justification for the Partnership and a set of targets or aspirations, these are difficult to attain and do not allow the Partnership to tell a story about how it works with partners. A more feasible and accurate results measure is found at the outcome level, where the Partnership has more control over how partners and beneficiaries use project outputs. Outcomes can be more easily attributed to project performance because they are generally produced quicker and are less vulnerable to uncontrolled external influences.

## 5. Annexes

### 5.1 Evaluation Terms of Reference

#### A. PROGRAM BACKGROUND AND OBJECTIVES

Central to the evaluation of the PNG Partnership is assessing the performance of the Partnership in promoting private sector development in PNG, and how well projects operated and made progress towards expected outcomes and impacts. In doing so, it will assess the Partnership in delivering its strategic priorities and seven high-level goals.

The PNG Partnership grew out of the regional Pacific Partnership, which was established in 2015, first as a 'sub-partnership', and then in 2017, as a stand-alone entity. It was originally between IFC and Australia's Department of Foreign Affairs and Trade, (DFAT); New Zealand (the Ministry of Foreign Affairs and Trade, MFAT) joined in June 2017.

The Partnership seeks to advance economic development and improves the lives of people by encouraging the growth of the private sector in PNG.

The Partnership is guided by a Steering Committee (SC) composed of representatives of Australia - DFAT (Port Moresby), New Zealand - MFAT (Port Moresby) and IFC. The SC meets every six months to discuss the Partnership's strategic directions, review progress against work plans, and discuss and endorse new projects.

This is in addition to regular structured dialogue between DFAT, MFAT and IFC.

#### B. SCOPE OF WORK

The evaluation will include activities undertaken by IFC from March 2015 to December 2022 and build on the mid-term evaluation. For the performance evaluation of the Partnership, the consultant will have access to program documentation; individual project Implementation Plans (IPs), Project Supervision Reports (PSR) and Project Completion Reports (PCR), and individual project Monitoring and Evaluation (M&E) results.

The main method of evaluation will be a desk review supplemented by in-depths interviews with selected IFC and, where relevant, World Bank staff, together with development partners, project counterparts and other stakeholders. The Consultant/Evaluator will undertake consultations with stakeholders in Sydney and Port Moresby, and will leverage virtual capabilities, where appropriate.

The assignment is expected to take up to 30 days and to be completed according to the timeframe below.

The end-of-term evaluation will address the following evaluation questions:

Key evaluation questions are:

1. To what extent were Partnership goals achieved?
2. Beyond the Partnership goals, what development outcomes and impacts were achieved by the portfolio projects?

The Partnership will be assessed along the five criteria defined by the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD). The five criteria are relevance, effectiveness, efficiency, impact, and sustainability. For numerical rankings, the following scale is used: 1 for "very poor quality"; 2 for "poor quality"; 3 for "less than adequate quality"; 4 for "adequate quality"; 5 for "good quality"; and 6 for "very high quality".

#### Relevance

- To what extent has the portfolio of Partnership projects responded to the needs of the client (private sector and client government agencies)? Including responding to the evolving needs of clients through the COVID-19 pandemic.

#### Coherence

- To what extent have project interventions complemented and established synergies with other IFC, World Bank, DFAT, and MFAT Programs in PNG, and the Government of PNG's priorities?

#### Effectiveness

- How well did the Partnership respond to recommendations from the PNG evaluation?
- To what extent has the design and delivery of projects under the Partnership been able to adapt to new needs, including as a result of COVID-19?
- To what extent was value for money delivered across the Partnership?
- How adequate has the risk assessment and the M&E systems of the PNG Partnership program been?

#### Efficiency

- To what extent have the management and governance arrangements of the Partnership been efficient, including the role of the Steering Committee and its members in implementing interventions and delivering outcomes, documenting project progress and risks, communicating budget details communicated to donors, and documenting Partnerships activities and results?

#### Impact

- What were key development impacts were achieved through this partnership, and how well was this impact communicated?
- To what extent have project outcomes contributed to impact concerning the high-level partnership goals?

#### Gender

- To what extent did the Partnership ensure project activities and outputs were gender- responsive through adequate procedures and approaches, processes, capacity building initiatives as well as adequate resources?
- To what extent did IFC contribute to demonstrating and improving the business case for gender equality and women's empowerment?

#### Sustainability

- To what extent are Partnership results/benefits and/or established processes, capacity and systems likely to be lasting, durable and resilient to risk?

#### Lessons

- Which are the main lessons from the PNG Partnership experience for: Informing the development of future Advisory Service programs? For IFC/DFAT/MFAT?

### C. DELIVERABLES/SPECIFIC OUTPUTS EXPECTED FROM CONSULTANT

- An Inception Report (evaluation plan), covering the evaluation objectives, proposed evaluation methodology, evaluation matrix, fieldwork plan (including proposed list of interviews) to be provided within 10 working days of the signature of the contract.
- A draft Evaluation Report (of no more than 20 pages-excluding annexes) should be shared with IFC at a date to be agreed. The Evaluation Report should include an executive summary, evaluation objectives, findings for each of the evaluation criterion, conclusions, recommendations and lessons learnt. Annexes should include the TOR, an evaluation matrix, and a list of interviews and sources of evidence.
- A presentation of the draft results of the evaluation to be made to DFAT, MFAT, IFC - date/ location/ channel (face-to-face; Webex etc.) to be agreed.
- Final report to be submitted at a date to be agreed, which should with DFAT M&E Standard 6.
- Final presentation to key DFAT/MFAT stakeholders.

All deliverables must meet the OECD-DAC Quality Standards for Development Evaluation.

### D. SPECIFIC INPUTS TO BE PRESENTED BY IFC

- World Bank Group PNG Systematic Country Diagnostic report; and accompanying PNG Country Partnership Framework FY19-FY23.
- IFC Country Strategy FY19-FY23.
- World Bank Group Gender Strategy FY16-FY23
- IFC's Gender Strategy Implementation Plans FY16-19 and FY20-FY23
- PNG Partnership Progress Reports / Annual Reports
- Project documents (IPs, PSRs, PCRs, and supporting evidence upon request)
- PSR and PCR Rating Guidelines
- Introduction to IFC clients and interview scheduling. IFC will complete a proposed schedule for field mission interviews. The schedule will include interviews with IFC project task team leaders; development partners at post and head offices; clients; and other key stakeholders.

## E. SPECIFIC CRITERIA

The consultant should have strong knowledge about (and preferably experience in) M&E and be knowledgeable about related best practices. Additional experience or knowledge related to PNG is preferable. The consultant will preferably also have a track record of evaluating donor-funded programs.

The following skills are required:

- Knowledge of evaluation methods, data collection, and analytic skills.
- Skills or experience related to research study design, outcome measurement, and statistical methods.
- Process management skills in interviewing, facilitation and presentation.
- Documented experience with evaluation methods and techniques for the evaluation of private sector operations, and an understanding of gender issue in project evaluation.
- Understanding of IFC products, services and advisory operations, as well as experience assessing similar World Bank Group programs, an added advantage Understanding of public sector policy tools mechanism and how they could drive change for private sector players.

## 5.2 Evaluation matrix

The evaluation applied an evaluation matrix based on Organization for Economic Cooperation (OECD) Donor Assistance Committee (DAC) *Principles for Evaluation of Development Assistance*.<sup>43</sup> Originally adopted in 1991, an updated version of the OECD DAC criteria was adopted in 2019 based on lessons learned and experiences.<sup>44</sup> The actual criteria used represents a modified version of OECD-DAC and was presented in the terms of reference for this evaluation.

<b>Relevance</b>
To what extent has the portfolio of Partnership projects responded to the needs of the client (private sector and client government agencies)? Including responding to the evolving needs of clients through the COVID-19 pandemic.
<b>Coherence</b>
To what extent have project interventions complemented and established synergies with other IFC, World Bank, DFAT, and MFAT Programs in PNG, and the Government of PNG's priorities?
<b>Effectiveness</b>
How well did the Partnership respond to recommendations from the PNG evaluation?
To what extent has the design and delivery of projects under the Partnership been able to adapt to new needs, including as a result of COVID-19?
To what extent was value for money delivered across the Partnership?
How adequate has the risk assessment and the M&E systems of the PNG Partnership program been?
<b>Efficiency</b>
To what extent have the management and governance arrangements of the Partnership been efficient, including the role of the Steering Committee and its members in implementing interventions and delivering outcomes, documenting project progress and risks, communicating budget details communicated to donors, and documenting Partnerships activities and results?
<b>Impact</b>

<sup>43</sup> OECD-DAC (1991) *Principles for Evaluation of Development Assistance*, OECD, Paris.

<sup>44</sup> OECD-DAC (2019) *Better Criteria for Better Evaluation; Revised Evaluation Criteria Definitions and Principles for Use*, OECD/DAC Network on Development Evaluation, OECD Paris.

What were key development impacts were achieved through this partnership, and how well was this impact communicated?
To what extent have project outcomes contributed to impact concerning the high-level partnership goals?
<b>Gender</b>
To what extent did the Partnership ensure project activities and outputs were gender- responsive through adequate procedures and approaches, processes, capacity building initiatives as well as adequate resources?
To what extent did IFC contribute to demonstrating and improving the business case for gender equality and women's empowerment?
<b>Sustainability</b>
To what extent are Partnership results/benefits and/or established processes, capacity and systems likely to be lasting, durable and resilient to risk?

## 5.3 Case study: PNG Cassava project

This project sought to assist South Pacific Brewery (SPB) develop a reliable supply of quality cassava for its factory to secure enough starch to meet the company's requirements by developing an effective smallholder supply chain.

Sector:	Agriculture
Project commenced:	04/02/2020
Project closed:	30/06/2022.
Value (USD):	1,100,000

### The problem

This ambitious project sought to address several problems that influence agriculture in PNG, particularly the cassava sector. These were identified in the project concept note as market failures.

The first was the unreliable supply and quality of agricultural produce. Food processing firms in PNG have often looked to overseas suppliers for raw inputs that otherwise could be sourced locally due to concerns about the reliability and quality of local supply. However, with the weak PNG Kina and limited foreign exchange, imports are challenging, and food processing firms are considering sourcing their inputs from local suppliers.

The second market failure was the lack of commercial farming. The central player in this project, South Pacific Brewery, a subsidiary of Heineken, was looking to locally source starch from cassava to replace imported barley through a cassava out-grower scheme. The PNG cassava market is very small relative to food crop production and has yet to be widely grown or commercially farmed.

The third market failure contained what was described as several "sector expansion constraints." These included the poor productivity of smallholder farms, which is a result of poor access to information on good agricultural practices, market prices, quality requirements, and weather; the poor capacity and powers of women to participate in decision-making despite their significant role in horticulture production; and the lack of access to finance to afford productivity inputs. Moreover, farmers faced many barriers to accessing new markets (e.g., poor logistics, infrastructure systems, and the marked absence of a value chain actor managing cassava transport from production areas to commercial markets) and land usage limitations because most land is customary land, limiting the expansion of production areas.

Finally, there are failures in law and order. Female farmers have difficulties accessing markets due to security concerns. Theft and robberies are endemic and have a critical negative impact on the trade flow of produce.

### The approach

The project sought to become a test case, piloting cassava value chain development through a strategically positioned lead firm. The IFC worked with SPB to develop a new commercial agricultural market to produce starch from cassava through an out-grower program aimed at smallholder farmers. The central project objective was to assist SPB in developing a reliable supply of quality cassava for its factory and to secure enough starch to meet the company's requirements by developing an effective smallholder supply chain. Specifically, the project sought to:

1. Develop at least two smallholder farmer out-grower and service delivery models.
2. Support the commercialisation of smallholder farms and possible added value production at the farm level by strengthening agri-services for farmers through improved linkages to agri-input and services companies.
3. Apply solutions for improving logistics services.

There were several notable features to the approach taken by IFC:

- **Strategic demonstration.** The project aimed to provide a practical model of engagement by local firms in agribusiness development with local farmers. With its site in the Markham Valley, where there are several food processing clients, the project was well placed to develop investable deals with other local clients.

- **An integrated approach.** The project applied an integrated approach to overcoming the barriers to market access for smallholder farmers, especially to formal markets, in this case, the SPB factory, and improving the low productivity levels of smallholder farms. This involved a coordinated combination of financial literacy training to help farmers understand the need for saving and re-investing in the next production, access to finance to ensure that working capital for future crops is secured and developing land usage plans at household and village levels to mitigate land disputes. Sustainable farming was encouraged through the introduction of climate-smart agriculture to mitigate the risks of climate change.
- **Gender integration.** Particular attention was given to addressing gender barriers to market participation. The project introduced gender-smart solutions supporting female farmers in (a) access to inputs, (b) being involved in training, (c) being paid for the harvested crops, and (d) enabling networks currently only open to men. The training was organised to maximise women's participation and designed to address critical gender gaps relating to the agency.

### Results and development outcomes

The project began positively in the pre-implementation phase with the fast construction of the cassava processing facility and a larger number of farmers interested in cassava farming and registering for membership in the out-grower model. Indeed, it outperformed early on by training 1,022 farmers (target: 450), developing a production area with a commercially viable yield of 24 mt per hectare (target: 15 mt), and won the PNG Innovation Award for large industries. SPB also agreed to invest more in agri-services and ordered tractors for land preparation services. However, the order was cancelled by the supplier due to the shutdown of its entire global supply chain by the COVID-19 pandemic in 2020.

Changing government taxation policies and COVID-19 had heavy negative impacts on this project, contributing to SPB's decision to no longer proceed with its new factory. The factory operation was paused in the first COVID-19 wave, from March to July 2020, and was officially closed indefinitely in June 2021 after PNG experienced the second COVID-19 wave. This eliminated the initial main market for the smallholder out-grower model. Alternative off-takers, such as Rumion and NARI, were slow in the uptake of volumes due to the difficult business environment during COVID-19. Over time, off-takers increased their required volumes but could not engage directly with farmers. While other off-takers could not commit to an extension service with their field officers, new off-takers required processed cassava, which required additional processing work from fresh cassava tubers to dried cassava chips, which was challenging for farmers, especially due to a lack of processing tools.

COVID-19 also made it difficult for the IFC team, which had to pause their work due to restrictions. When IFC PNG moved to COVID-19 Tier 2 restrictions, the team re-engaged, but farmers were still concerned about outsiders visiting their villages due to COVID-19 transmission risks. As a result, the team found several roadblocks limiting access to the villages. Moreover, farmers needed more resources to engage in farming activities due to scarce access to cash, limiting the finance for the next crop planting.

While this project was terminated early, the following results were reported:

- 936 farmers participated in one or more productivity improvement trainings.
- 197 deposit accounts were opened, 115 by women.
- Some 418 female farmers were reached (directly and indirectly).

### Lessons learned

While changing government taxation policies and COVID-19 were somewhat external to the project's implementation plan, they reflect the challenges of working in difficult and complex PNG agriculture markets. This has led to the recognition that there were significant design problems associated with this project, which have become more apparent in hindsight. In particular the reliance on a single lead firm which is a typical challenge in PNG with a limited number of reliable project partners in the agricultural sector.

While agriculture is a highly relevant sector with many markets to be developed, this project relied on SPB. It became apparent that SBP had no experience or interest in agriculture and a low-value crop such as cassava that few farmers were interested in. SPB's main motivation was local sourcing for its low-cost 'Power Punch' product.

The design problem with this project was that SPB is not, by its own admission, in agriculture.<sup>45</sup> Different from a typical lead firm value chain strategy, SPB had no interest or experience in coordinating agriculture supply chains. While it invested in the construction of a factory, SPB was focused on receiving local cassava and wanted to avoid being directly involved in the local coordination. It was anticipated this would be achieved among a local grower network.

The Implementation Plan highlighted the importance of gender (p. 7):

“[G]ender inequality remains a significant development challenge in PNG. Women are often excluded from leadership and decision-making roles and are less likely to hold a job in the formal sector than men. Gender is a cross-cutting theme for IFC and a gender-focused approach on cassava supply chain improvement is aligned to IFC’s goals of promoting equal opportunities for men and women. This project will contribute towards IFC’s development goals (IDGs) by improving sustainable farming opportunities for 450 farmers, including 150 women, to reduce the gender gap in this agribusiness supply chain.”

The project formulated gender-focused indicators in consultation with SPB. These mainly focused on impact indicators relating to the total number of farmers the project would reach and the volume of cassava it could source. The rest of the targets, including the sex-disaggregated indicators, were then determined based on the goal of reaching 450 farmers, with 30 per cent being female farmers.

IFC published a gender assessment of the project in 2022.<sup>46</sup> This assessment found that many women’s incomes had increased after the project’s training:

“Some women’s produce has rotted less quickly, meaning they have more to sell, and they have been selling at higher prices. As a result, their farming families’ incomes have increased, and women’s role in society has become more important among those involved in the project.”

The main impact of the project on women was to improve their personal development. IFC (2022) reported that semi-literate and illiterate women from rural areas could express themselves and define their needs. Furthermore, involving husbands and other men within the communities transformed perceptions of what women could achieve as farmers. The report indicated that newly trained women “now contribute to the security of a stable home environment and can help to make critical decisions about their household resources and income.”

A 2021 survey of end-beneficiaries found that many trainees who followed the advice and training provided have seen it work. They indicated that women, especially “mothers in the village”, found financial literacy training extremely important, including support with opening a bank account and providing better access to the market to sell their cassava.

In summary, there are many constraints to increasing private investment into agriculture markets in PNG. This ambitious project applied a comprehensive, market-driven approach that paid particular attention to women’s roles in agriculture markets. However, cassava is a particularly low value crop, and the project was heavily dependent on the decisions of a single lead firm. COVID-19 played a major role on disrupting agriculture markets and SPB’s plans for a new plant. This heightened the vulnerability of the project’s success and led to its premature closure.

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<sup>45</sup> In February 2019, the Australian-funded Market Development Facility produced a field assessment report of the Cassava development project, which was quite critical of the project. The report indicated that the risks for SPB were not known but generally subject to commodity price fluctuations, price assumptions and failure to achieve important planting milestones, yield decline, inefficient transportation and microfinance services and weakened capacity of the implementing agency. Grower risks were considered limited but influenced by overproduction (considered highly likely) or the inability to deliver harvested crops to SPB on time due to transport problems. Reference: Kanua, Matthew (2019) *Field Assessment Report: Cassava development project, Erap, Morobe Province*, MDF SC1814, Market Development Facility (Internal, confidential report).

<sup>46</sup> IFC (2022) *PNG Cassava Project, Gender Smart Business Solutions. Case Study: Closing gender gaps in agriculture in Papua New Guinea*, IFC Washington DC.

## 5.4 Case study: Interoperable Switch project

The Interoperable Switch project was a component of the Pacific Payment Systems project. It supported the Bank of Papua New Guinea (BPNG) in developing and implementing an interoperable switch for cards and mobile transactions and new payment products for retail payments.

Sector:	Finance
Project commenced:	December 2015
Project closed:	30 June 2022
Value (USD):	500,000

### The problem

This project was formulated to address two essential problems in the banking system in PNG.

The first problem was the inadequate national payment system. PNG needed an effective legal and regulatory framework to allow the Central Bank, BPNG, to build, operate and oversee retail payment systems, products and services.

The second problem was the need for alternate banking infrastructure, such as cash-out agents and store merchants in remote areas. Electronic-based bank products (i.e., debit cards, m-banking, internet, EFTPOS, ATMs) were concentrated in the major banks, with no interoperability capacity.

### The approach

The IFC worked with the BPNG to develop a response to the above problems. The BPNG had recent success in implementing the interbank clearing and settlement system, known as the Kina Automated Transfer System (KATS), and the Payments System Act and its implementing regulations.

The PNG project drew mainly from a similar project supported by the Australia-Pacific Partnership known as the Pacific Payment Systems project. The Interoperable Switch was designed to:

- Establish critical financial infrastructure for retail payments.
- Facilitate retail payments and reduce cash payments.
- Enable access to financial services.
- Increase the value of digital payments in PNG.

IFC partnered with BPNG to design and implement an interoperable switch for card and mobile transactions, connecting the entire payments value chain through a single software platform known as the retail electronic payment system (REPS).

Commencing in 2016, IFC provided technical support to BPNG to develop a business case for REPS. This was followed in 2017 with knowledge and capacity building for BPNG and financial institutions on REPS and, in 2018, the establishment of a working group to facilitate technical discussions on REPS. IFC advised BPNG on key issues and contents of the underlying system agreement and the operating rules and standards and supported drafting the national payment system directives, including oversight, agents, electronic fund transfers and payment instruments.

In 2019, PNG launched the National Payments Council, comprising government and private sector representatives. REPS was launched in July 2019, allowing customers of participating financial institutions to pay for goods and services, withdraw cash, and carry out balance inquiries on their devices at any location at a reduced cost. By the end of 2019, Bank South Pacific (BSP), Kina Bank, Nasfund Contributors Savings and Loan Society (NCSL), Westpac, MiBank and People's Micro Bank (PMBL) had joined the national switch.

In March 2021, Instant Payment Transactions (IPT) were launched by three microfinance institutions – NCSL, MiBank, and PMBL. BPNG continued working with three commercial banks (Kina Bank, Westpac and BSP) on system support to enable IPTs through their ISO2022 systems (expected in 2023).

The project was closed in June 2022. No Project Closure Report was produced because this was part of the broader Pacifica Payment Systems Project. BPNG hired an independent firm to conduct a project implementation review of REPS, which assigned a “successful” rating. However, the report has yet to be finalised.

### Results and development outcomes

This project led to BPNG adopting the legal framework and policies for the REPS. REPS Interchange Policy, REPS Settlement Policy, REPS Fee, REPS Service Level Agreement, System Rules and Procedure, and REPS Participation Agreement. BPNG has indicated that the successful launch of the REPS within the timeframe “would not have been possible without the generous assistance” provided by the IFC.<sup>47</sup>

As of February 2023, about 66.8 million transactions had been routed through REPS to the value of about US\$ 2.68b (or Kina9.4b). A survey in 2022 (July–December 2022) found:

- Number of clients using REPS (Partnership Goal 5): 796,117
- Number of Women using REPS (Partnership Goal 6): 285,210
- Number of SMEs using REPS (Partnership Goal 4): 2,422
- BPNG is planning to expand REPS members to include new payment service providers such as mobile operators and other smaller financial institutions and potential new products.

As a result, this project helped expand financial inclusion by improving quality and access points to digital financial services for the underserved and unserved.

### Lessons learned

The BPNG Centre for Excellence in Financial Inclusion’s Second National Financial Inclusion Strategy 2016-2020 highlighted the importance of interoperability in digital finance that benefits the poor. This enables smaller payment service providers to enter the market at a reasonable cost. It promotes competition and consumer choice while lowering the cost of end-user payments.

An IFC assessment of mobile and agent banking in PNG in 2019 found that mobile banking services are the most promising way to deliver widespread and profitable financial services for people in PNG.<sup>48</sup> However, there are many challenges to extending these services. Most people live in rural and remote areas that are difficult to access and have poor infrastructure. Moreover, PNG is one of the most linguistically diverse nations globally. The introduction of the REPS has created an essential infrastructure to promote partnerships and interoperability among the many financial agent networks and mobile banking providers operating across the country. Indeed, partnerships are a critical element for success and, if pursued in earnest, will ensure that providers who participate in the country’s financial services markets will provide better products and services to those who need them most.

COVID-19 underscored that a safe, competitive, and efficient payment system is essential to support PNG’s day-to-day business, especially amid the lockdown. It is unsurprising, therefore, that the use of electronic payment instruments at the retail level continues to grow rapidly in PNG due to this project.

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<sup>47</sup> Correspondence from the BPNG Deputy Commissioner, Mr Joe Teria, to Mr John Vivian, IFC Port Moresby, dated 15 August 2019.

<sup>48</sup> IFC (2019) *Papua New Guinea Mobile Banking and Agent Banking; Sector Assessment*, IFC Washington DC.

## 5.5 List of Documents Reviewed

### **IFC AUSTRALIAN DFAT DOCUMENTS**

IFC 2015-04-15 Letter to DFAT; *First Amendatory Letter*

IFC 2015-04-15 Annex 11; Amendment of Administration Arrangements Between DFAT and IFC

IFC 2017-05-30 Letter to DFAT; *Seventh Amendatory Letter*

IFC (2015) IFC PNG Business Plan Strategy in FY15-FY18; 2015-02-03

PNG Partnership (2019) Partner Performance Assessment

### **IFC NEW ZEALAND MFAT DOCUMENTS**

IFC 2017-05-24 Letter to MFAT; *Fourth Amendatory Letter*

IFC 2019-06-20 Letter to MFAT; *Ninth Amendatory Letter*

### **PNG PARTNERSHIP DOCUMENTS**

IFC (2022) *Papua New Guinea Advisory Portfolio: Gender Review Findings and Recommendations*

PNG Partnership (2023) Progress Report July-December 2022

PNG Partnership (2022) Annual Report July 2021 to June 2022

PNG Partnership (2021) Progress Report July 2020 to December 2020

PNG Partnership (2021) Annual Report July 2020 to June 2021

PNG Partnership (2021) Future Directions; IFC and PNG Partnership

PNG Partnership (2020) Annual Report July 2019 to June 2020

PNG Partnership (2019) Annual Report July 2018 to June 2019

PNG Partnership (2018) Annual Report July 2017 to June 2018

PNG Partnership (2017) Annual Report July 2016 to June 2017

PNG Partnership (2015) Annual Report July 2014 to June 2015

### **STEERING COMMITTEE DOCUMENTS**

PNG Partnership (2023) *Steering Committee Minutes of Meeting*, 30 May (Webex)

PNG Partnership (2023) *Steering Committee; Work Plan Updates* 30 May (Webex)

PNG Partnership (2023) *Steering Committee; Funding Summary*, 30 April

2022 PNG Partnership: Bi-Monthly Project Update; Update as of October 14, 2022 for Partnership meeting on July 20, 2022

2022 PNG Partnership: Bi-Monthly Project Update; Update as of July 19, 2022 for Partnership meeting on July 26, 2022

2022 PNG Partnership: Bi-Monthly Project Update as of February 2, 2022 for Partnership meeting on July 8, 2022

PNG Partnership (2020) *Steering Committee Minutes of Meeting*, 9 June (Webex)

PNG Partnership (2020) *Steering Committee Minutes of Meeting*, 12 November (Webex)

PNG Partnership (2019) *Steering Committee Minutes of Meeting*, 14 May (Port Moresby)

PNG Partnership (2019) *Steering Committee Minutes of Meeting*, 21 November (Port Moresby)

## **WORLD BANK DOCUMENTS**

World Bank Group (2019) *Papua New Guinea Country Partnership Framework FY2019 – 2023*

World Bank Group (2019) *Papua New Guinea Country Partnership Framework FY2019 – 2023 Summary*

World Bank Group (2019) *The Independent State of Papua New Guinea; Systematic Country Diagnostic*

World Bank Group's (2023) *PNG Performance and Learning Review of the Country Partnership Framework FY19-23*

## **OTHER DOCUMENTS**

Asian Development Bank (2019) 'Pacific Private Sector Development Initiative, Phase IV', *Technical Assistance Report*, Project Number: 53072-001. Knowledge and Support Technical Assistance (KSTA), November.

Asian Development Bank (2019) Pacific Private Sector Development Initiative; 2007-2019 Activities and Results Overview

Asian Development Bank (2018) 'Pacific Private Sector Development Initiative, Papua New Guinea, Country Overview, August

Asian Development Bank (2015) *Strengthening the Private Sector in Papua New Guinea*, ADB, Manila

DFAT (2021) *Australia-PNG Economic Development Partnership; Investment Concept*, DFAT, Canberra

## **PROJECT DOCUMENTS**

Note that project Concept Notes, Implementation Plans, Supervision Reports, and Project Completion Reports are internal IFC documents.

### **Interoperable Switch (component of Pacific Payment Systems project)**

undated – Project Initiative Note

undated - Concept Note

undated – 'Interoperable Switch for Electronic and Mobile transactions and third-party card issuance', *Program Initiative Note*, IFC.

2013-01-09 Implementation Plan

2019-08-15 Correspondence from Deputy Governor Bank PNG to IFC, in appreciation of the PNG REPS Project

2021-02-25 Supervision Report

2022-03-02 Supervision Report

2022-08-19 Supervision Report

Bank of Papua New Guinea (2013) 'National Payments System Act 2013' and associated directives (2019) website, visited 9 May 2021: <https://www.bankpng.gov.pg/payment-system/payment-systems-act/>

Bank of Papua New Guinea (2021) Kina Automated Transfer System (KATS) Monthly Statistics updates; Monthly Analysis on the Use of Payment Instruments, website, visited 9 May 2021: <https://www.bankpng.gov.pg/payment-system/kats-monthly-statistics/>

PNG Partnership (2019) *Papua New Guinea Mobile Banking and Agent Banking; Sector Assessment*; IFC, Washington DC

PNG Partnership (2019) *Mobile Banking in Papua New Guinea; Stories from Port Moresby, Kwikila, Lae and Mount Hagen – Consumer Survey*, IFC, Washington DC

### **Pacific Renewable Energy Generation (also funded by PNG-II)**

2013-12-19 *Concept Note*

2014-09-28 Implementation Plan

2017-06-10 *Project Extension Memo* (Alexios Pantelias, Manager)

2021-03-03 Supervision Report

2021-11-21 Project Completion Report

IEG (2021) *Pacific Renewable Energy Generation PCR Evaluation*

**PNG Hospital PPP**

2017-05-11 Concept Note

2017-08-16 Implementation Plan

2019-09-05 Office Memorandum: Project Restructuring Memo for PNG Hospital PPP

2020-09-23 Amendment No 1 to Financial Advisory Services Agreement between Western Highlands Provincial Health Authority and IFC

2021-12-02 Project Completion Report

Undated – *Mt Hagen Hospital Redevelopment; Findings of the Feasibility Study to Redevelop Mt Hagen Hospital through a Public-Private Partnership*

**Capital Markets Development – PNG**

2017-12 *Project Initiative Note* (document submitted to and approved by Steering Committee; additional funds approved in May 2018)

2017-05-28 Concept Note

2017-09-08 Implementation Plan

2021-03-01 Supervision Report

2022-02-14 Supervision Report

2022-08-22 Supervision Report

**PNG Consumer Protection**

2017-08-13 *Concept Note*

2017-12 *Project Initiative Note* (document submitted to and approved by Steering Committee)

2018-03-29 Correspondence from Assistant Governor Bank PNG to IFC, in appreciation of the Financial Consumer Protection Project

2018-05-17 Implementation Plan

2019-12-23 Correspondence from Governor Bank PNG to IFC – Request for extension to the Financial Consumer Protection project

2021-02-22 Supervision Report

2021-08-21 Supervision Report

2022-02-22 Supervision Report

2022-08-09 Supervision Report

2023-05-22 Project Completion Report

Undated – PNG FCP Regulatory Framework presentation

**PNG SME Competitiveness Project**

2017-07-11 Concept Note

2018-05-17 Implementation Plan

2020-08-27 Supervision Report

2021-08-24 Supervision Report

2021-02-26 Supervision Report

2021 Biosecurity Policy for PNG; presentation

2022-02-15 Supervision Report

2023-01-12 Project Completion Report

Undated – Small business tax communication plan

2020 World Bank Group & Apex Consulting Support for Private Sector Development Programs (SPSD) in Fiji and Papua New Guinea (PNG); Policy Note – Papua New Guinea

#### **Kina Bank PNG TA**

2018-11 *Project Initiative Note* (document submitted to and approved by Steering Committee)

2018-11-12 Implementation Plan

2020-08-26 Supervision Report

#### **PNG Cassava**

2016 *Growing Cassava: Best Practice, Establishment and Management Handbook*

2018-19-10 Project Initiative Note

2019-12-19 Implementation Plan

2019 WBG *Integrated Biodiversity Assessment Tool World Bank Group Biodiversity Risk Screen*

2021-02-24 Supervision Report

2020-02-21 Change Memo – Additional Project Funding Request (Draft)

Kanua, Matthew (2019) *Field Assessment Report: Cassava development project, Erap, Morobe Province*, MDF SC1814, Market Development Facility (Internal, confidential report)

Market Development Facility (2019) *MDF Cassava Grower's Baseline Survey Results*, PowerPoint presentation, MDF SC1814, Market Development Facility (Internal, confidential report)

Undated – Cassava Farmers Business Planning and Development; Training Manual

#### **PNG Markham/Ramu Commercial Agriculture Development Program**

2019-05 *Project Initiative Note* (document submitted to and approved by Steering Committee)

2019-05-19 Concept Note

IFC (2021) Markham/Ramu Agricultural Growth Corridor; A possible path of transformational agricultural development, draft report, 14 January

#### **PNG Affordable Housing PPP**

2017-12 *Project Initiative Note* (document submitted to and approved by Steering Committee)

2018-03-26 Concept Note

2019-07-17 Financial Advisory Services Agreement Between National Capital District Commission and IFC

2021-03-01 Supervision Report

#### **PNG Remote Grid IPP**

2019-05 *Project Initiative Note* (document submitted to and approved by Steering Committee)

2019-03-20 Concept Note

PNG Women's Technical and Vocational Education and Training (TVET) – Feasibility Study

2019-05 *Project Initiative Note* (document submitted to and approved by Steering Committee)

2019-05-15 Concept Note

ABT Associates (2019) Preliminary Market Scan: Concept Development for PNG Technical Training College for Women

**Pacific Westpac M-Banking**

2014-01-21 Implementation Plan

2017-08-17 Supervision Report

2018-06-14 Completion Report

**Agriculture PNG**

2012-11-07 *Concept Note*

2013-06-12 Implementation Plan

2017-07-29 Supervision Report

PNG Partnership (2018) Deep Dive: Key Elements and Progress of the Redesigned Agribusiness PNG Project; PowerPoint presentation, April

2018-10-30 Completion Report

**Lighting PNG Extension**

Undated - Concept Note

2013-02-19 Implementation Plan

2016-10-26 Project Extension Memo

2019-02-28 Supervision Report

2020-02-04 Completion Report

**PNG Tourism**

2017-03-14 Concept Note

2017-07-16 Implementation Plan

IFC (2018) Papua New Guinea Tourism Development Assessment Part I; Investing in the Growth Potential of Niche Tourism in Papua New Guinea, July

IFC (2018) Papua New Guinea Tourism Development Assessment Part II; Case Studies for Niche Market Success, June

2020-02-24 Supervision Report

2020-10-02 *Completion Report* [NB. Rated 'Mostly Successful']

Tourism Baseline Study (component of PNG Tourism project)

IFC (2016) [\*Assessment of the Economic Impact of Cruise Tourism in Papua New Guinea and Solomon Islands\*](#), June, ICF Consulting Services Hong Kong Limited, in association with TNS Australia and Seaport Group

IEG (2021) Tourism Project, PRC Evaluation Note

**PNG SME Tax**

Undated - Concept Note

2015-01-13 Implementation Plan

2019-08-29 Supervision Report

2020-03-31 Completion Report

**Pacific WINvest**

2013-05-07 Concept Note

2014-06-12 Implementation Plan

2019-08-11 Supervision Report

2020-08-26 *Completion Report* [NB. Rated 'Successful']

**PNG Gulf**

2017-12 *Project Initiative Note* (document submitted to and approved by Steering Committee)

2018-01-04 Concept Note

IFC (2018) New Gulf Province Transport Route; Prefeasibility Study, IFC, Washington DC

Undated – Summary of Cumulative Results (excerpt from FY18 Annual Report)

**Bel Isi PNG**

2019 *Project Initiative Note*

2019-07-18 *Concept Note*

2021 Workplace Responses to Family and Sexual Violence in PNG: Measuring the Business Case. Draft baseline report

**Pacific ESG**

2021-10-01 Concept Note

2022-05-04 Engagement Letter

Undated – Information Pak – Vinod Patel

**NBFI**

2021-11-09 Concept Note

2022-10-19 Project Completion Report

No date – Program Initiative Note (extension and additional funds request)

**Accelerate2Equal**

2022-03-30 Concept Note

**Credit Corporation Transformation TA (ID: 607262)**

2023-03-27 Project Concept Note

2023-02-08 Project Implementation Plan

## 5.6 Project Details and Evaluation Notes

PNG Partnership I		
Project Name/Objective	Dates, Status, Rating	Sector
<b>Interoperable Switch (component of Pacific Payment Systems project) [ID: 585727]</b> Support the Bank of Papua New Guinea (BPNG) to develop and implement an interoperable switch for cards and mobile transactions and develop new payment products for retail payments.	12/2015-30/06/2022 Closed (No PCR) Other Rating: Successful	Finance
Relevance	HIGH	Based on a request from BPNG which leads the project. Based on earlier IFC which was somewhat ahead of its time. Emerged out of Pacific Partnership with Fiji. Designed as regional project, then separated.
Coherence	HIGH	This project creates the backbone for many other government, donor and development programs supporting PSD, commerce and trade in PNG.
Effectiveness	HIGH	Achieved all outcomes: Legal framework and Retail Electronic Payment System established, offering interoperability among financial institutions for cards and POS. Delays in launching of new instant payment product using the REPS due to COVID-19, but on track to achieve intended results within current program period.
Efficiency	HIGH	High-quality TA provided; well received by partners.
Impact	HIGH	Have recorded increases in the number of non-cash transactions through REPS. Still in implementation but anticipated to achieve significant impact on PNG financial systems.
Gender	MED	While not specifically designed to address the needs of women or with specific gender considerations, this project will improve conditions for women. It captured gender-disaggregated data and found that around 35 per cent of women used REPS by February 2023.
Sustainability	HIGH	Still in implementation but anticipated to contribute to ongoing systemic change in the finance sector. Critical for financial architecture. BPNG has been competent in running the system.
<p>This project is a continuation of an earlier Pacific IFC project [ID 561592] supporting national payment systems. In 2019, PNG launched the National Payments Council comprised of governments and private sector representatives. REPS was launched in July 2019 allowing customers of participating financial institutions to pay for goods and services, withdraw cash, and carry out balance inquiries on their devices at any location, at a reduced cost. By the end of 2019, Bank South Pacific (BSP), Kina Bank, Nasfund Contributors Savings and Loan Society (NCSL), Westpac, MiBank and People's Micro Bank (PMBL) had joined the national switch. The IFC engaged the World Bank in 2021 on a policy reform for new Instant Payment Transactions, with the product to be included as a prior action for the World Bank PNG Crisis Development Policy Operation. To enable the operation, BPNG modified the REPS contracts with members, including the offer of new products and switching fees. Instant Payment Transactions (IPT) were launched by three microfinance institutions (i.e., NCSL, MiBank, and PMBL). BPNG continued working with three commercial banks (i.e., Kina Bank, Westpac and BSP) on system support to enable IPTs through their ISO2022 systems.</p> <p>The project was closed in June 2022. No Project Closure Report was produced because this was part of the broader Pacifica Payment Systems Project. In 2022, BPNG hired an independent firm to conduct a project implementation review of REPS which assigned a "successful" rating. However, the report is yet to be finalised.</p> <p>In terms of development outcomes, this project led to BPNG adopting the legal framework and policies for the REPS; REPS Interchange Policy, REPS Settlement Policy, REPS Fee, REPS Service Level Agreement, System Rules and Procedure, and REPS Participation Agreement. As of February 2023, about 66.8 million transactions had been routed through REPS to the value of about US\$ 2.68b (or Kina9.4b). A survey in 2022 (July–December 2022) found:</p> <ul style="list-style-type: none"> <li>• Number of clients using REPS (Partnership Goal 5): 796,117</li> <li>• Number of Women using REPS (Partnership Goal 6): 285,210</li> <li>• Number of SMEs using REPS (Partnership Goal 4): 2,422</li> </ul> <p>BPNG is planning to expand REPS members to include new payment service providers such as mobile operators and other smaller financial institutions and potential new products.</p>		
<b>PNG SME Tax [ID: 592867]</b> Broaden PNG's long-term tax base; encourage the formalisation and growth of SMEs as reflected in annual compliance cost savings of \$7.565 million for small and medium enterprises; and increase the number of SMEs filing taxes annually. This will be achieved by improving the tax regulatory environment for SMEs, by simplifying and streamlining tax regimes to reduce time of costs of filing; improving risk assessment of the tax authority and GST refund processing mechanism; increasing awareness of the	16/02/2015 31/12/2019 Closed PCR Overall Rating: Mostly Unsuccessful	SME

importance of taxation amongst these firms; and develop appropriate use of tax incentives. An estimated 11,200 firms were expected to benefit from these reforms.				
Relevance	HIGH	This scored low in the IFC assessment, based on the original project design. However, as it was reconceived, it became a much-needed project and based on a request from the Government of PNG. Aligned with Medium-Term Revenue Strategy 2018-2022.		
Coherence	HIGH	Supports improvements to the capacity of government to interact with SMEs and build economic citizenship through taxation while broadening the tax base.		
Effectiveness	MED	Not all outputs were produced, and significant delays experienced. Project Closure Report rated it as 'partly unsuccessful' with its outputs. There is evidence of adaptation to changing conditions, but this appears to have been too late.		
Efficiency	MED	Project Closure Report rated it as 'partly unsuccessful' in terms of its efficiency, with no compliance costs savings for business achieved.		
Impact	MED	While project had strong outcomes under the SME Tax Framework and the Risk-Based Audit components, it fell short on Strategic Communication for SMEs; the new regime has not been implemented, it is uncertain at this stage how many taxpayers will opt for this simplified tax regime (Project Closure Report).		
Gender	LOW	There is no clear gender sensitivity applied in design or implementation or gender data collected.		
Sustainability	MED	Few sustainable changes to business or market systems achieved. There is some possibility that some elements of this work may contribute to other reforms (e.g., the IRC is expanding the risk-based audit to reform its GST refund to improve efficiency and effectiveness).		
<p>The was a very ambitious project in its initial design and was, at first, not aligned with government intent and capacity. Many delays were experienced. The SME Competitiveness project was able to pick up elements of the project. Project Closure Report rated it as 'mostly unsuccessful' having fallen short in two out of four objectives. However, the project was reconfigured in response to government requests and delivered a more focused set of interventions.</p> <p>Despite the rather bleak IFC assessment (i.e., Mostly Unsuccessful), there are important achievements of the project that deserve recognition. Within a narrower scope of project interventions, this project has supported the introduction of an SME tax system in which SMEs are registering and participating.</p> <p>Government approved the new SME tax regime in June 2020, and this was rolled out in 2021. While this was after the IFC closed the project (31/12/2019), on-going support has been provided. As of March 2023, the Internal Revenue Commission reported that some K160,000 had been received in payments from SMEs (K89,424 in the 2021 calendar year and K62,554 in the period January to March 2023). This was collected from a little over 2,620 firms. While this is significantly below the anticipated 11,200 originally envisaged, it is highly likely that the number of SMEs and the volume of revenue will continue to increase as awareness raising activities undertaken by the Internal Revenue Commission continue and expand into new provinces.</p>				
<b>Lighting PNG Extension [ID: 594427]</b> Provide access to off-grid solar lighting and phone charging solutions to rural communities in PNG by supporting Digicel in launching a new solar streetlight and phone charging product, rolling it out on a larger scale through a network of locally based solar entrepreneurs who are provided with training and access to finance, and by leveraging the initial demonstration effect to develop the broader solar market.			11/2016 30/06/2019 Closed PCR Overall Rating: Successful	Energy
Relevance	HIGH	Energy challenges are significant; issues related to poor quality goods undermining market confidence and hence development are high.		
Coherence	HIGH	Strong alignment with the development other development programs and the SDGs.		
Effectiveness	HIGH	Well designed and executed project.		
Efficiency	HIGH	Appears to be very high value for money in the market linkage and public awareness (market development) role performed by IFC.		
Impact	HIGH	Project Completion Report rated impact as 'Satisfactory' as five out of ten impact targets were met. Positive feedback from private sector providers.		
Gender	LOW	There is no clear gender sensitivity applied in design or implementation or gender data collected.		
Sustainability	HIGH	Private sector providers continue to invest in the market and show clear signs of expanding their product range and deeper penetration into rural markets.		
<p>This project emerged out of an earlier project: Digicel Solar (ID 594427) was initiated in 2013 and scheduled to close in December 2016. IFC launched the Lighting Papua New Guinea program in May 2014 to help Papua New Guinea's off-grid communities get access to safe, affordable, high quality solar lighting and phone charging devices. In 2016, the project was named 'Digicel Solar &amp; Lighting Papua New Guinea, later, 'Lighting PNG Extension'.</p> <p>Project partners expressed strong, positive views on this project, including its impact and sustainability.</p>				

<p>This project produced several important outcomes that are likely to lead to continued and sustained impacts:</p> <ul style="list-style-type: none"> <li>• Two market assessment reports were developed to assess market dynamics and generate interest in the PNG market.</li> <li>• Consumer awareness activities helped build awareness of the quality aspects of QV products as well as availability.</li> <li>• LPNG engaged Lighting Global quality standards experts and worked with GoPNG stakeholders, including ICC (regulator), NISIT (standards body), and DPE (Department of Petroleum and Energy) to establish a framework aligned to the Lighting Global test methods.</li> <li>• A comprehensive Policy Brief / White Paper on the Adoption of Standards for Stand-alone Solar Kits in PNG was submitted to the GoPNG with options for adoption and enforcement. There is in principle agreement to implement the recommendations, including establishment of a technical committee to oversee adoption and implementation.</li> </ul>		
<p><b>Pacific WINvest [ID: 599352]</b>          Improve economic empowerment of women in the Pacific. Firm level - diagnostic tools developed, piloted and scaled up. - Industry Level - Engage the private sector in driving positive change for women in the Pacific; Promote further gender economic empowerment initiatives in the Pacific.</p>		01/07/2014 31/12/2019 Closed PCR 26/08/2020 Overall PCR Rating: Successful
Relevance	HIGH	Very relevant to the issues affecting women's economic empowerment. Project Completion Report scores the project as 'excellent' in terms of relevance.
Coherence	HIGH	Strong coherence with other government and development actors' efforts in women's economic empowerment.
Effectiveness	HIGH	Project Completion Report scores the project as 'successful' overall and 'excellent' in terms of outputs.
Efficiency	HIGH	Project partners spoke highly of the quality of the work conducted.
Impact	HIGH	Project Completion Report scores the project as 'satisfactory' in terms of the achievement of outcomes. Project partners interviewed indicated a high degree of impact.
Gender	HIGH	Specifically focused on women's economic empowerment.
Sustainability	HIGH	Project Completion Report scores the project as 'satisfactory' in terms of the achievement of sustainability. Project has contributed to important new work of the IFC in this field. Project partners spoke highly of the ongoing repercussions of the project and its outcomes.
<p>This is a very successful project that has been influential in shaping IFC's work in the Pacific and beyond. The project delivered its intended impacts at the firm and individual beneficiary level. The impact-level indicators were logically linked to the Project's overall objective, with the closing of gender gaps at participating firms leading to business benefits as well as benefits for employees of those firms. The PCR expects that impacts on number of people benefited and entities improved performance will continue to accrue, as the benefits of the changes in firm-level policies and practices will continue, and in some cases, accelerate as new ways of working are fully internalized by companies. For example, policies related to respectful workplaces, bullying and harassment will take time to change the acceptability and prevalence of these behaviours at the workplace and so impacts will accrue over time.</p> <p>The 2021 MTE recommended an external independent evaluation to identify the impact of the project, lessons learned and best practices to be shared. However, this was not undertaken.</p>		
<p><b>Pacific Westpac M-Banking [ID: 599825]</b>          Increase basic financial services to the un-banked and under-banked populations in remote areas across six Pacific Island countries by supporting the deployment of Westpac's mobile banking model in these countries.</p>		15/02/2014 31/12/2017 Closed Overall PCR Rating: Successful
Relevance	HIGH	Aligned with WBG and Country Strategy and PNG Government priorities (e.g., financial inclusion); addressing clear market failures, including systemic issues for private sector development. Project Completion Report rated this project as 'satisfactory' in terms of its strategic relevance.
Coherence	HIGH	The project complements other efforts to improve financial services to un-banked and under-banked communities.
Effectiveness	HIGH	The Project Completion Report rated this project as 'satisfactory' in output achievement (all four output targets met).
Efficiency	HIGH	Project Completion Report rated this project as 'satisfactory' in terms of efficiency. Project partner spoke highly of the quality, relevance and timely advice provided.
Impact	HIGH	Project Completion Report rated this project as 'satisfactory' in terms of its impact achievement. While it is noted that many beneficiaries of the are middle-class, salaried

Gender	LOW	account holders, it is hoped that the longer-term impact of this work (i.e., towards social inclusion) is yet to be realised. There is no clear gender sensitivity applied in design or implementation or gender data collected.
Sustainability	HIGH	The systems established and market changes are highly sustainable.
<p>This project scores well in all the criteria above, except for gender since it was not informed by a gender analysis or exhibit a design that specific addresses gender concerns. There is some question as to whether the benefits created by the project do contribute to the challenges associated with financial inclusion. Indeed, the results in this field are still to be realised. However, overall, this project achieved relevant and sustainable results and worked well with a significant private sector partner. Project Completion Report rated this project as 'mostly successful' in development effectiveness.</p>		
<b>Agriculture PNG [ID: 599409]</b> Enhance the productivity and incomes of 2,500 farmers by increasing yields, levels of aggregation and scaling up the use of SMS applications for agriculture in PNG.		01/07/2013 30/09/2018 PCR 30/10/2018 Overall PCR Rating: Unsuccessful
Relevance	LOW	While agriculture is extremely important to PNG, it is clear this project did not align with government priorities at the time and there were problems with private sector engagement and demand. Project Completion Report rated this project as 'partly unsatisfactory' in strategic relevance.
Coherence	MED	Regarding coherence with external actors, agriculture aligns with other government, donor and development strategies. However, internal coherence was poor (according to the PCR).
Effectiveness	LOW	Project Completion Report rated this project as 'partly unsatisfactory' in output achievement.
Efficiency	LOW	Project Completion Report rated this project as 'partly unsatisfactory' in outcome achievement and efficiency, noting that 'most of the major outcomes were not achieved'.
Impact	LOW	Project Completion Report rated this project as 'unsatisfactory' in impact achievement.
Gender	LOW	No explicit gender analysis or focus in project design and implementation.
Sustainability	MED	While overall the performance and impact of this project appear low, there was one engagement with a wholesaler and retailer where the value chain has been strengthened and where market development is likely to continue.
<p>This was a complex and ambitious project that, while correctly focusing on private investments to improve yields and efficiencies, did not align with government priorities and struggled with private sector engagement.</p> <p>While this project fell well short of its stated ambitions, there were some notable results. Most of the training targets for coffee were achieved, which helped farmers implement changes in farm management and obtain certification. Over 3,000 hectares of land belonging to more than 4,000 coffee farmers acquired sustainability certification because of implementing recommended changes via training activities. Tininga implemented the project's proposed improvements in its logistics and supply/cool chain facilities, including investment in a depot, improved transportation and a digital smallholder management system.</p> <p>IFC's report on trade logistics served as an input to the PNG Regulatory Simplification and Investment Promotion Policy. However, the 2018 PCR indicates that only a few outcomes were achieved across all components, with some impact level results partly achieved from the fresh produce component. The overall objective of reaching 30,000 farmers and increasing gross margin by \$3.6 million was not achieved. Some 5,000 coffee farmers and 2,000 cocoa farmers were trained and implemented recommended changes. The cocoa project failed and was ended due to the sudden closure of Monpi Cocos operation in PNG. Due to the other failing components, IFC Management decided to implement the fresh produce component as a separate project. The PCR notes that project targets were unrealistic given the clients demand and market size. Implementation of a mobile phone-based information system for 30,000 farmers was not achieved. While around 10,000 individuals were reached as a result of IFCs analysis and recommended ICT models, there is weak attribution as there are no documents detailing how these farmers benefitted from the ICT analysis that IFC did.</p> <p>Low female participation was identified as a problem, due to 'family responsibilities', which presumably was known at the time of the project's formulation. Targets for female participation were not met.</p>		
<b>Pacific Renewable Energy Generation (also funded by PP-II) [ID: 600131]</b> Taking an investment-led and market creation approach, the overall goal of this project is to open the Renewable Energy/Clean Energy market for private sector and support the development of three replicable and bankable business models primarily for the commercial and industrial sector in PNG and the Pacific.		06/2017 31/03/2021 Closed PCR 01/11/2021 Overall PCR Rating: Mostly Successful

Relevance	HIGH	Responds to a critical issue (barrier) affecting private sector and economic development, while pursuing renewable options.
Coherence	HIGH	Strong alignment with broadly agreed challenges in the energy sector and the need for more dynamic energy markets that are specifically focused on renewables.
Effectiveness	HIGH	Project extended in 2017. Overall, successful in achieving its major outputs.
Efficiency	HIGH	High-quality TA provided; well received by partners.
Impact	HIGH	Still in implementation but anticipated to contribute to valuable outcomes in terms of private investment into roof top solar.
Gender	LOW	No indication of gender analysis or gender issues influencing project design, implementation or monitoring.
Sustainability	MED	Still in implementation but anticipated to lead to sustainable outcomes. Inputs into BSP have been sustained. There are signs that the private sector is willing to invest in mini grids, but as yet, this is unclear.
<p>Project partners report positive views on inputs from IFC; some concerns with delays in procurement and getting the project going. Partners also responsible for delays. Good quality advice; good quality reports.</p> <p>Requests for a continuity or sustainability plan to ensure all project inputs are well coordinated and that project outputs lead to desired outcomes and impacts spanning some time.</p> <p>The November 2021 PCR indicates that, in PNG, Bank of South Pacific (BSP) is implementing the plan to install solar rooftops at its branch locations and the project developed the strategy and implementation plan for integration of solar into BSP's energy mix and identified 4.7 MW of capacity. BSP's COO has accepted the recommendation and introduced a new practice to include solar at all new branches/branch expansions. 77 grid-connected and 15 off-grid branches were evaluated for solar potential, with an economic evaluation and financing model proposed. IFC undertook a techno-commercial analysis of representative sites recommended installing solar at all BSP's branch locations, starting with three large off-grid sites and eight on-grid sites in Port Moresby and Lae.</p> <p>One legal reform was achieved dealing with the regulator (PNG Power Ltd, PPL) to permit rooftop solar in PNG. The Rooftop Solar policy was approved by the PPL Board in April 2018 followed by an approval from the Independent Consumer and Competition Commission (ICCC) in October 2019. Changing the regulations has helped to unlock the solar rooftop market in PNG and helped create a framework and start a pilot with 2 MW of installations. PPL accepted the recommendation to attract private sector investment in PNG mini-grids, deployed an internal team to implement the project's recommendations, and launched a limited tender to attract private investment in PNG mini-grids. Due to a lack of proposals for the limited tender, Kumul Consolidated Holdings (KCH) has re-engaged IFC to support them in an open tender for the first seven mini-grids.</p> <p>The project helped build capacity and train PPL and local developers on solar rooftop installation, safety, economics, etc., and reviewed the applications to recommend the ten participants who PPL then selected for two MW of pilot installations.</p> <p>The 2021 PCR says is to "too early to judge" the results of the project, as does the IEG 2022 PCR evaluation report. However, the PCR 2021 claims that the impacts are expected to meet or exceed the targets. PPL has requested to expand the pilot across PNG and at their request, IFC has identified 70 MW of potential to pursue. PPL has requested IFC's assistance in expanding this program. Assuming 72 MW are built, this would result in an investment of \$108M for 113,530 MWh and GHG savings of 88,440 tons. Probability of the 2 MW is high (almost completed), 22 MW is medium (seems to be strong interest and an economic case), though low for the full 72 MW by 2023.</p>		
<b>PNG Hospital PPP [ID: 602234]</b>		
The objective of the project is to assist the Department of Health, Western Highlands Provincial Health Authority and PNG Treasury in structuring and tendering a PPP transaction for the re-development of Mt Hagen Hospital - the key health facility in the Highlands region, and PNG's national trauma centre.		29/06/2018 30/06/2021 Closed PCR 02/12/2021 Overall PCR Rating: None
Relevance	MED	While the need for health care is clear, the relevance of a PPP approach in PNG is not as clear. There is a need for increased private sector provision of health care services, <i>but</i> the proposed approach did not seem completely justified as detailed in the comments below. This is illustrated in the project's restructure—recognising these problems are easier to identify in hindsight.
Coherence	MED	This project is well aligned to well defined donor and government needs to improve health services and infrastructure.
Effectiveness	MED	Phase 1 (Transaction Structure Report) is completed, but future difficult to determine. The project was designed with two phases (drawn from Concept Note and Implementation Plan). Phase 1: Acceptance of the Transaction Structure Report by the government; Phase 2 completion of a successful bid process resulting in signing of the PPP agreement between WHPHA and the selected private partner. For sound, prudent reasons, this was changed, and the project became a 'diagnostic/scoping project'. Thus, based on the initial scoping,

		this project only achieved one of the two outputs. Based on the revised scoping, Phase 1 saw the likely completion of the project.
Efficiency	LOW	As above, the resources allocated to Phase 1 saw the delivery of the anticipated output. However, the project was far more ambitious in its conception. Thus, while the decision was made in September 2019 to restructure the project, it is unclear the project could have achieved its anticipated results by June 2022. This raises questions regarding the relatively short timeframe of the PNG Partnership.
Impact	N/A	-
Gender	LOW	No explicit gender analysis or focus in project design and implementation.
Sustainability	N/A	-
<p>In September 2019, this project was restructured to become a 'diagnostic/scoping project' so that it would be 'more reflective of the uncertainty and high-risk operating environment'. The restructure sought to 'adjust the project nature and scope to better align with the country context, client capacity and upstream nature of the work'. The approved budget was adjusted from US\$1,507,614 to US\$826,000. As a diagnostic/scoping project, the Impact, Outcome and Output indicators were removed.</p> <p>The timeframe for successful development of PPP is very long and this project has been hampered by a series of delays and barriers that make its effects very difficult to determine. The analysis undertaken favoured a greenfield development over the existing hospital site. However, while the site was only lightly used for agriculture and would have required minimal resettlement, the negotiations were nonetheless protracted and did not appear close to resolution at the time of project close. Moreover, the market perception is that PNG is a risky market, and the primary risk seen by investors is non-payment by the government. While the project explored a variety of potential options to mitigate this risk (e.g., seeking a project guarantee from a development bank, or, in the absence of a project guarantee, a sovereign payment guarantee to cover the annuity payments to make investors willing to take on this risk, or breach of contract insurance to cover termination payment risk due to government default), none of these have proved feasible.</p>		
<p><b>PNG Tourism [ID: 602271]</b></p> <p>Grow tourism arrivals to PNG by working with government and private sector to develop arrivals markets; Increase the value of tourism to businesses and communities by working with government and private sector to improve the PNG tourism product; Increase investment in PNG tourism by helping to build a pipeline of bankable projects.</p>		<p>01/07/2017 30/06/2020 Closed PCR 02/10/2020 Overall PCR Rating: Mostly Successful</p>
Relevance	HIGH	This is a highly relevant market and aligned with government priorities and WBG strategy. Formulated on the findings of the baseline study (602271).
Coherence	HIGH	Strong coherence with government and other donor and development agencies through the support for development of non-extractive sectors and recognition of the need to build stronger tourism markets.
Effectiveness	HIGH	Project Completion Report rated this project as 'satisfactory' for output achievement. Capacity building has been important, but this demand continues.
Efficiency	HIGH	Project Completion Report rated this project as 'satisfactory' for outcome achievement and efficiency.
Impact	MED	Achievements with project development and raising community awareness appear very positive.
Gender	HIGH	Input from the IFC Gender Team was sought and provided and gender issues were prominent in the project's design, implementation and results monitoring.
Sustainability	MED	COVID-19 is a major challenge to the sustainability of this project's impact. Many businesses report zero income in the last 12 months, and this is unlikely to change soon.
<p>The project reflected the PNG Government's priority focus on tourism to foster growth in non-extractive sectors and create opportunities for SMEs and communities in provincial areas. Government's focus early in the project was to grow leisure arrivals and invest in critical infrastructure to support the tourism sector. The TPA marketing strategy goal to double the number of holiday visitors from 2017 to 2022, an increased tourism budget allocation, and advocacy of tourism at the APEC summit in 2018, all reflected this focus. However, COVID-19 has had a significant impact on this project and brings into question issues related to market development (i.e., tourism market has been harshly hit). The October 2020 PCR notes that the project has not proceeded into post implementation due to the impacts of COVID-19 on the tourism sector.</p> <p>The project offered substantial opportunities for women's economic empowerment. Indeed, this project is to be commended for the way in which the gender dimensions have been identified and incorporated into project design, management and monitoring.</p> <p>The 2021 MTE reports that public and private project partners spoke well of this project and the role of the IFC in providing expertise. Concerns were raised regarding donor coordination.</p>		

<p>The 2020 PCR notes that the project has not proceeded into post implementation due to the impacts of COVID-19 on the tourism sector. The PCR rated this project as 'partly unsatisfactory' for impact achievement. This was largely due to poor performance in achieving targeted sales revenue (only 21% of the target of US\$800,000 was achieved) and in the value of additional finance facilitated (i.e., only US\$172,323 compared with a target of US\$1,000,000). However, based on the experiences of Phase 1 of the IFC's Tourism program in Pacific where it was found that it takes 3-5 years to build new tourism markets, while investment impacts tend to lag a few years behind activities focused on market development, the project expects to reach its targets within three years of close. The 2021 MTE recommended an external independent evaluation to identify the impact of the project, lessons learned and best practices to be shared. However, this was not undertaken due to COVID-19 restrictions. This reflects this project closing in June 2020, several months after the pandemic was declared. This was a time of crisis for the sector and project clients and the post-implementation period was cancelled at PCR.</p>		
<p><b>Tourism Baseline Study (component of PNG Tourism project) [ID: 602271]</b></p> <p>Study to quantify the economic impact of cruise visits on the economies of PNG and the Solomon Islands (SI); assess the potential impact of growth of the cruising sector; as well as the investments required to allow this growth to occur.</p>	<p>11/2015 07/2016 Closed No PCR or score required.</p>	<p>Tourism</p>
<p>Relevance</p>	<p>HIGH</p>	<p>This is an important market within the tourism sector and the need for data was clear.</p>
<p>Effectiveness</p>	<p>HIGH</p>	<p>Well designed and executed project.</p>
<p>Coherence</p>	<p>HIGH</p>	
<p>Efficiency</p>	<p>HIGH</p>	<p>High quality well-presented report. Appreciated by government and private sector.</p>
<p>Impact</p>	<p>N/A</p>	<p>-</p>
<p>Gender</p>	<p>HIGH</p>	<p>The issues facing women and women's economic empowerment in the tourism sector were highlighted.</p>
<p>Sustainability</p>	<p>N/A</p>	<p>-</p>
<p>This is a 'diagnosis/scoping project'. Thus, its overall impact and sustainability are difficult to ascertain. However, in this case, it appears to have contributed directly to the PNG Tourism project [ID: 602271]. As a result, the contribution to broader change is greater.</p> <p>The 2021 MTE noted some concern that the report was branded with Carnival Australia—especially by other cruise providers. However, IFC indicate that Carnival (and its subsidiary brands) were the only cruise operators going to PNG and Solomon Islands with any regularity at that time. Thus, IFC were entirely dependent on Carnival participation and data sharing to produce the baseline report.</p>		
<p><b>PNG Gulf [ID: 602912]</b></p> <p>Research commissioned to understand the commercial, social and environmental opportunities and limitations of opening a new transport route from the Southern Highlands Province to Port Moresby via the Gulf Province.</p>	<p>12/2017 12/2018 Closed No PCR or score required.</p>	<p>Agriculture</p>
<p>Relevance</p>	<p>HIGH</p>	<p>An important issue and aligned with broader private sector development challenges and opportunities.</p>
<p>Coherence</p>	<p>HIGH</p>	<p>Transport routes for trade and development are aligned to government interests and support by other donor and development agencies.</p>
<p>Effectiveness</p>	<p>HIGH</p>	<p>Appears to be a good quality, well presented report.</p>
<p>Efficiency</p>	<p>MED</p>	<p>Difficult to determine, but appears reasonable (if somewhat expensive as a single study)</p>
<p>Impact</p>	<p>N/A</p>	<p>-</p>
<p>Gender</p>	<p>MED</p>	<p>The issues facing women were included in the report and women's groups appear have been consulted.</p>
<p>Sustainability</p>	<p>N/A</p>	<p>-</p>
<p>The PNG government is working on developing the route with the Department of Transport. Also, the private sector has started to look at the route. However, the delay in the gas project has had an impact. IFC Management decided not to go into Phase 2 and recommended the government or World Bank take over the project.</p>		
<p><b>PNG Partnership II</b></p>		
<p><b>PNG SME Competitiveness Project [ID: 601353]</b></p> <p>Make it easier for SMEs to do business and enhance the competitiveness of agribusiness in PNG as reflected in improved transparency; decreased time and cost of key business environment processes and removal of regulatory constraints to facilitate investment in agribusiness and exports of agriculture products.</p>	<p>08/01/2019 30/06/2022 Closed PCR Overall Rating: Unsuccessful</p>	<p>SMEs</p>

Relevance	MED	While this project clearly sits within a field of high relevance to private sector development in PNG, the relevance of its original design is questionable. Indeed, the weakness was related to the capacity of the government to absorb the support offered.
Coherence	MED	SME development is recognised as an important private sector development topic for PNG.
Effectiveness	MED	This project was required to adapt to changing conditions and to address flaws in the original design. There were time delays in getting started, later exacerbated by COVID-19. There is concern with the capacity of the partner organisations (i.e., government ministries), despite recent renewed interest.
Efficiency	MED	Advice provided appears to be relevant and good quality.
Impact	MED	There may be good impacts achieved through work on biosecurity and tax. However, this is difficult to determine with confidence at this time.
Gender	LOW	No explicit gender analysis or focus in project design and implementation.
Sustainability	MED	At this stage, it is very difficult to have confidence regarding the sustainability of outcomes and results this project may achieve. Why currently the sustainability of this project appears low, there may be scope for this to increase based on the work on biosecurity and tax. Thus, an optimistic medium score is assigned.
<p>This project began with high ambitions: (a) Support PNG's APEC agenda, improve the legal and regulatory framework for SMEs, and improve the ease of doing business in PNG; (b) Deepen the focus on supporting SME development and FDI linkages with key extractive industries; and (c) Provide the incoming government following the 2017 election with options for reform and modernization of PNG's foreign investment regime. However, there were problems working with some ministries and it was not possible to reach agreement on priorities. COVID-19 slowed progress, but many of these problems appeared prior to the pandemic's emergence.</p> <p>Overtime, this project was adjusted considerably. The initial Concept Note (July 2017) suggests the goal of the four-year project was 'to increase formal sector activity in PNG by strengthening the business enabling environment and deepening linkages between FDIs and local SMEs in targeted sectors and provinces.' The Implementation Note (November 2018, approved January 2019) indicates a three-year project with the goal to 'increase the ease of doing business and facilitate FDI linkages in targeted sectors and provinces on PNG... and enabling GoPNG's adoption and implementation of better strategies and practices to better facilitate SME formalization, growth and participate in the local economy.' The Supervision Report (February 2021) says the goal is 'to make it easier for MSMEs to do business in general and support agribusiness development in particular in PNG as reflected in improved transparency, decreased times and costs of key business environment processes – such as starting a business, obtaining construction permits, paying taxes, import/export and business exits, and improved biosecurity framework.'</p> <p>The Supervision Report justifies the need to adjust the project in response 'to a changing context due to the emergence of COVID-19 in 2020 and its profound impact on PNG's economy and SMEs.' While the impact of COVID-19 in 2020 is undisputed, the other shifts appear to have been a lack of, or changing, government interest, away from improving the business enabling environment. The Supervision Report also suggests the project was restructured 'to align it with IFC country strategy priorities and focus on agribusiness and ensure that program activities are focused.' The project team were encouraged to 'strengthen client commitment to the DB [Doing Business] and business regulation component and ensure that the agribusiness component is strongly linked to' other IFC programming interventions. The IFC reported that the government was more committed to a biosecurity law and tax reforms. The latter stemming, in part at least, from the PNG SME Tax project (592867), which closed in December 2019.</p> <p>The project closed in June 2022 and the PCR assigned an overall rating of unsuccessful.</p> <p>The World Bank Group's 2023 <i>PNG Performance and Learning Review of the Country Partnership Framework FY19-23</i> noted the IFC's work on biosecurity, which included support to the National Agriculture and Quarantine Inspection Authority (NAQIA) to modernise the biosecurity framework, in order to prevent the introduction and spread of diseases, pests and other organisms in the agriculture sector. A Biosecurity Policy was approved by the PNG Government in June 2022. IFC has since helped NAQIA draft a Bill that is consistent with the Policy, although the bill still needs to be approved by the Government and enacted by Parliament.</p>		
<b>Capital Markets Development – PNG [ID: 602232]</b>		
Support PNG develop its capital markets by creating an enabling environment for the public and private sectors to access short and long-term funding.		18/09/2017 30/06/2022 Closed No PCR (currently in draft form)
Relevance	HIGH	Based on a clear need and aligned with national policy and strategic frameworks. Based on demand.
Coherence	HIGH	Improving financial markets is critical for IFC's broader work in private sector.
Effectiveness	HIGH	Project has achieved important outcomes overall.
Efficiency	HIGH	Quality of TA provided has been received, considered timely, relevant and high standard.

Impact	MED	It is very difficult to fully determine impact at this stage, but there are likely to be significant impacts resulting from this project, notwithstanding the challenges within the securities commission.
Gender	MED	No explicit gender analysis or focus in project design. However, adjustments were made as a result of the 2022 IFC gender review.
Sustainability	HIGH	Also, difficult to accurately determine at this stage, but like to provide important, sustainable outcomes for financial markets.
<p>Project emerged from Pacific Partnership involving PNG and Fiji. A draft regulatory framework was produced and is awaiting endorsement by the responsible minister, which appears likely. COVID-19 has contributed to significant delays. Challenges with the securities commission have been beyond the scope of influence of the project but present a significant threat to sustainable outcomes in the relevant component. Poor capacity of local institution.</p> <p>This was a complex and ambitious project that was vulnerable to political risks. The project was restructured twice. First in March 2020 and again in December 2020. Only eight of 12 output targets were met.</p> <p>The 2021 MTE indicated there were concerns raised regarding donor coordination.</p> <p>The 2022 IFC gender review indicated that the project lays the groundwork for several substantive gender interventions. This includes: the review and updating of the corporate governance code of PNG Stock Exchange (PNGX) with a gender lens; developing an introductory session on ESG disclosure standards for PNGX and members; board gender diversity training for PNGX and members; and support for the creation of future gender bonds. However, these desired outcomes appear some way off given the current state of the project and its performance.</p>		
<b>PNG Consumer Protection [ID: 602330]</b>		21/05/2018 31/12/2022 Closed No PCR (currently in draft form)
The objective of the project is to expand financial inclusion in PNG by increasing the supply of financial services, at the same time as driving up usage and demand through the development of key financial infrastructure. At the macro level, IFC will support development of a financial consumer protection (FCP) regulatory framework for PNG.		Finance
Relevance	HIGH	Based on a clear need and aligned with national policy and strategic frameworks (e.g., financial inclusion). Based on demand. Poor financial literacy across the country. Some shifts due to changing institutional arrangements (ICCC).
Coherence	HIGH	Financial inclusion is a shared priority for economic development.
Effectiveness	HIGH	Despite delays, the project appears on track to achieve important outcomes overall.
Efficiency	HIGH	Quality of TA provided has been received, considered timely, relevant and high standard. Study well received (if not too long and not entirely fit for purpose).
Impact	HIGH	Difficult to fully determine at this stage, but there are likely to be significant impacts resulting from this project. Draft framework (act, regulations) still to be finalised and constrained due to COVID-19. Manuals and tools relevant and important to institutions.
Gender	MED	Gender did not feature strongly in the original design, but this was improved with the 2022 IFC gender review. Indeed, this topic is an important one for women's access to financial services.
Sustainability	HIGH	Also, difficult to accurately determine at this stage, but like to provide important, sustainable outcomes for financial markets.
<p>There have been delays experienced within the project partner (i.e., internal organisational problems; problems with recruitment of suitable staff) as well as due to COVID-19.</p> <p>The 2021 MTE cited concerns regarding donor coordination in this project regarding the ADB. This issue arose in this project but concerns other finance-related projects.</p> <p>The project shifted from the development of regulation to the creation of a financial consumer protection Financial Consumer Protection Bill.</p> <p>The draft PCR (dated 22 May 2023) rates this project overall as "unsuccessful". The project's outcome and impact ratings are unsatisfactory: the outcome and impact targets require the Financial Consumer Protection Bill to be passed before they can be achieved and given that the Bill is yet to be passed, no targets have been met at this stage. It is anticipated all outcome targets will be met within 2-3 years of project completion. There were many factors contributing to the project's poor performance, including COVID-19, political turbulence (i.e., two Central Banking Reviews resulting in BPNG leadership changes and no permanent Governor for the final year of the project) and a no confidence vote in 2021 and elections in 2022.</p> <p>The 2022 IFC gender review indicated that the COVID-19 restrictions limited the scope to include gender-related follow-up activities. However, the project did aim to set up processes, systems, manuals and best practices to support gender-sensitivity in the application of the act by tracking complaints received from women, designing supervision manuals with a gender lens, and producing dispute resolution manuals to respond to complaints raised by women.</p>		
<b>PNG Cassava [ID: 603456]</b>		04/02/2020 30/06/2022
		Agriculture

The objective of this project is to assist South Pacific Brewery (SPB) to develop a reliable supply of quality cassava for its factory in order to secure enough starch to meet the company's requirements through the development of an effective smallholder supply chain.		Closed No PCR (currently in draft form)	
Relevance	MED	While agriculture is an extremely relevant sector with many markets to be developed, this project relied on a lead firm (SPB) with no experience or interest in agriculture and a low-value crop that few farmers were interested in. SPB's main motivation was local sourcing for its low-cost 'Power Punch' product.	
Coherence	MED	Agriculture features in the CPF.	
Effectiveness	MED	The SPB-built factory was opened in June 2019 but is now likely to be sold due to a range of external factors, but also concerns regarding the appropriateness of the project's design and execution.	
Efficiency	MED	COVID-19 has been a major disruption to the work plan, as well as a major contributor (along with changes to taxation laws) to the SPB decision to no longer proceed with the new factory.	
Impact	MED	There were 936 farmers who participated in one or more productivity improvement trainings; 197 deposit accounts were opened, 115 by women. Some 418 female farmers were reached (direct and indirect).	
Gender	LOW	No explicit gender analysis or focus in project design and implementation.	
Sustainability	LOW	No prospects of sustainability in current scenario.	
<p>This project pursued three objectives: (1) Development of at least two smallholder farmer out-grower and service delivery models; (2) Support the commercialization of smallholder farms and possible added value production at the farm level by strengthening agri-services for farmers through improved linkages to agri-input and services companies; and (3) Application of solutions for improvement of logistics services. However, COVID-19 has been a major disruption to the work plan, as well as a major contributor to the SPB decision to no longer proceed with the new factory.</p> <p>Changing government taxation policies and COVID-19 were heavy negative impacts on this project. A memo of April 2021 describes changes to be considered. The future of the SPB factory remains unclear. Recommendations are to continue to support the existing cassava farmers and help them get their product to alternative markets and intercrop with other crops, while exploring opportunities in the sago value chain. However, these propositions are at odds with a MDF critique regarding the nature of farming and agribusiness in this region, which is unlike most other regions. MDF have withdrawn from the project.</p> <p>The design problem with this project was that SBP is not, by its own admission, in agriculture. Unlike a typical lead firm value chain strategy, SPB had no interest or experience in coordinating agriculture supply chains. While it invested in the construction of a factory, SPB was focussed on receiving local cassava and did not want to be directly involved in the local coordination and was anticipating this would be achieved among a local grower network.</p> <p>The Implementation Plan highlights gender (p. 7): 'Furthermore, gender inequality remains a significant development challenge in PNG. Women are often excluded from leadership and decision-making roles and are less likely to hold a job in the formal sector than men. Gender is a cross-cutting theme for IFC and a gender focused approach on cassava supply chain improvement is aligned to IFC's goals of promoting equal opportunities for men and women. This project will contribute towards IFC's development goals (IDGs) by improving sustainable farming opportunities for 450 farmers, including 150 women, to reduce the gender gap in this agribusiness supply chain.' However, there are no gender indicators included in the Results Frame at the Impact level and only in one Outcome indicator (Component 2), cited above. The only other gender indicator is an Output indicator concerning the number of women who attend training (Component 2).</p>			
<b>Kina Bank PNG TA [ID: 603602]</b>		01/11/2018 31/12/2021 Closed PCR 29/06/2021 PCR Overall Rating: Mostly Successful	Finance
Support Kina Bank expand its banking presence/platform to provide more products and services mix for PNG banking customers and enhance its management and operation quality; this will help improve market competition and contribute to development of PNG's SME and retail banking sector.			
Relevance	HIGH	Aligned with the PNG Country Partnership Strategy. Compared to the dominant three commercial banks in PNG, Kina Bank is the newest market player and is still currently developing its market offerings. Acquisition of new business accelerates the bank's efforts to develop its financial products and services offering which will enhance the availability of alternatives for PNG banking customers.	
Cohesion	HIGH	Strongly aligned with overall banking reform needs, with considerable buy-in from Kina Bank.	
Effectiveness	HIGH	Kina Bank has been able to absorb project interventions, which appear to have been largely met to-date.	
Efficiency	HIGH	IFC intervention of good quality. Severe concerns regarding timing (see below).	

Impact	HIGH	Appears to be on track for solid impact.
Gender	LOW	No explicit gender analysis or focus in project design and implementation.
Sustainability	HIGH	Kina Bank capable of sustaining project interventions and managing significantly larger portfolio and operations. The project significantly contributed towards strategically positioning Kina Bank as the second largest bank in PNG and Fiji with the potential to become the Pacific's leading SME-focused systemic bank. ADB has become a minor equity investor in Kina immediately following completion of the project; Kina selected as the most-strategic acquirer of Westpac PNG and Fiji; and the subsequent strong generation of international institutional investors' support for Kina's long-term business growth strategy. IFC is continuing to work with Kina beyond the provision of technical assistance and advisory services.
<p>The 2021 MTE noted concerns raised regarding poor donor coordination: not enough information shared; clear competition between donors; a lot of duplication (very frustrating); and same consultants being used by competing donors. Moreover, concerns were raised regarding the IFC bureaucracy, and the time taken for decisions and procurement. Concerns those issues this make it very difficult to work with IFC. However, overall quality of the work provided was considered good. IFC suggest that a contributing factor to this was Kina's limited ability to always disclose full and timely information for reasons of commercial confidentiality, given their listings on both ASX and POMSOX; notwithstanding IFC providing the necessary documented confirmation of Confidentiality. This delayed IFC's due diligence activities at pre-approval stage. IFC indicated that to mitigate the impact of these constraints the project team adjusted the project design and execution plans requiring additional IFC internal approvals but ultimately keeping the project deliverables on track.</p> <p>The June 2021 PCR reports that, in October 2019, the Board of Kina Bank was confident that management had sufficient capacity to sustain the outcomes of the project's interventions without continued support. The project remained open for a further 12 months to enable the team to follow up with the bank to deal with any post-integration issues, report key balance sheet performance indicators and obtain M&amp;E guidance on continuing the project until the original end, December 2021, or conclude early. In March 2021, the team recommended an early completion given clear confirmation from the client that no further project implementation was required, and that it would like to focus on exploring the potential investment transaction with IFC FIG's investment team to support its Westpac acquisition and long-term business growth.</p>		
<b>PNG Affordable Housing PPP [ID: 603069/603897]</b> Assist Government of PNG in structuring and implementing a commercially viable transaction to provide affordable and green housing in Port Moresby.		06/2018 04/2021 Implementation (i.e., still active, no PCR) Closure was anticipated for 04/2021.
Relevance	MED	The need for investment is clear. However, the relevance of this approach given the requirements for land and suitable investors is low.
Coherence	MED	Affordable housing is an important development agenda for PNG.
Effectiveness	N/A	While not possible to fully evaluate, the provision of advice to the government is considered reasonable.
Efficiency	N/A	As above.
Impact	N/A	As above.
Gender	LOW	No explicit gender analysis or focus in project design and implementation.
Sustainability	N/A	Very difficult to determine at this stage. While there are substantial prospects for high levels of investment in affordable housing in the long-term, there are many risks and uncertainties.
<p>This project began as a three-country Pacific Region project and has transitioned through various challenges to become a possible new initiative with a new partner. The partnership approved funding (US\$150,000) towards a regional umbrella project called Pacific Housing covering PNG, Fiji, and Timor-Leste which facilitated the initial work to explore the prospects of a PPP for affordable housing. This included the preparation of country-level business cases leading to PPP mandates in each country. The concept for a PNG Affordable Housing project was developed based on this.</p> <p>In July 2019, a financial advisory services agreement was signed with the National Capital District Commission (NCDC)—the provincial government responsible for Port Moresby. However, the legal mandate with the NCDC required confirmation of available suitable land. The NCDC has been unable to secure suitable land for the project and this engagement concluded.</p> <p>Outside of the Partnership, the IFC has continued to work with possible partners in each of the three countries, including PNG. In 2023, IFC identified a new partner, and a mandate was signed in May 2023. This is likely to lead to IFC proposing a new PPP in affordable housing should DFAT and MFAT agree to a no-cost extension to the partnership.</p> <p>There is very little concrete data available for evaluation purposes. However, it is acknowledged that while the returns can be very high, PPP projects can be risky and require time.</p>		

<b>PNG Remote Grid IPP [ID: 603545]</b>			Implementation (i.e., still active, no PCR)	Energy
Provide advisory support to PNG Power Limited (PPL) to structure and conduct a competitive tender to select a private sector independent power producer (IPP) to invest, upgrade, maintain and operate power generation at a selection of remote mini-grid centres.				
Relevance	HIGH	The challenges of power affordability and access are significant; strategic role for new IPPs. PPP is a highly relevant model.		
Coherence	MED	Access to affordable, renewable energy in remote areas is an important development agenda for PNG.		
Effectiveness	MED	First step (analytical work) completed; future is unclear.		
Efficiency	MED	Client spoke well of IFC expertise, but there are concerns regarding the capacity of PNG Power to take this work forward in a meaningful way.		
Impact	LOW	Based on current level of work achieved, the impact of the project is low; project may not be completed in time (i.e., by 30 June 2022). As discussed below, should PPL reengage with IFC and DFAT in the coming months, there may be scope to recommence this work, but the timing will be tight.		
Gender	LOW	No explicit gender analysis or focus in project design and implementation.		
Sustainability	LOW	As above.		
<p>This project worked with PNG Power Limited (PPL) to support a competitive tender to select a private sector independent power producer (IPP) to invest, upgrade, maintain and operate power generation at a selection of remote mini-grid centres. It sought to established 17 remote mini-grid centres with peak loads ranging from 26 KW to 10 MW. There are around 1.5 million people located around these remote areas where generation costs are very high (i.e., averaging around US\$36 cents/kWh).</p> <p>The IFC and DFAT, through its Economic and Social Infrastructure Program, jointly implemented the project.</p> <p>The analytical studies were well received and was referenced in PPL strategies and presentations. However, PPL expressed a view that an international best practice tender process would take too much time. IFC, jointly with DFAT and AIFPP proposed a fast-track tender in March 2021 to address these concerns. Nevertheless, in April 2021, PPL launched its own mini grid tender with three pre-selected investors. However, this process did not succeed. Indeed, the 2021 MTE noted that without addressing payment risks and the economic and social risks upfront, PPL's approach at the time would not lead to a satisfactory outcome.</p> <p>IFC and DFAT continued its engagement with PPL and in 2023 it is likely that a new phase of this project will be initiated dealing with five sites.</p> <p>The World Bank Group's 2023 PNG Performance and Learning Review of the Country Partnership Framework FY19-23 noted the IFCs decision not to pursue a potential gas-to-power independent power producer (IPP), as no material investment opportunity arose. In 2021, IFC published "Powering the Pacific", a guide to investing in renewable electricity generation, focusing on PNG and other Pacific Islands.</p>				
<b>PNG Markham/Ramu Commercial Agriculture Development Program [ID: 604226]</b>			01/2020 (one month) Completed	Agriculture
Development of an investment blueprint, leading to increased agribusiness investments and activities in PNG by addressing information and support gaps that currently act as barriers to entry in Markham and Ramu valleys. The project aims to demonstrate the impact of a geographically focused, long-term agribusiness project on local consumers right through to government and pave the way for future IFC and private sector investments in agribusiness ventures.				
Relevance	HIGH	PNG Government sees relevance in agriculture development.		
Coherence	HIGH	Well aligned with IFC-World Bank framework. Based on DFAT request.		
Effectiveness	HIGH	See comments below.		
Efficiency	MED	See comments below.		
Impact	N/A	Contributes to the design of a Markham/Ramu Commercial Agriculture Development Program.		
Gender	LOW	No explicit gender analysis or focus in project design and implementation.		
Sustainability	N/A	-		
<p>It is understood that this study was undertaken at DFAT's request.</p> <p>IFC awaiting feedback from DFAT and MFAT feedback before publishing this study. IFC hopes to implement a Phase 2 of the project if DFAT/MFAT are interested.</p> <p>It appears to be a high-quality report that will guide ongoing agriculture development work by IFC, DFAT and MFAT. However, the use of the report—beyond a general reference for possible further work in this sector—is unclear. IFC suggest that feedback from DFAT indicates that this report has contributed to the DFAT strategy.</p>				

<b>PNG Women's Technical and Vocational Education and Training (TVET) – Feasibility Study [ID: 604167]</b> Working with leading businesses in PNG to determine the feasibility of establishing a women's technical training centre in PNG and identify potential strategic investors. If viable, a comprehensive business plan will be created to guide the establishment and management of a women's technical vocational training centre.			16/05/2019 30/06/2021 Closed No PCR No PCR Overall Rating	Women
Relevance	HIGH	This topic appears to be highly relevant to women's employment.		
Coherence	HIGH	Strongly aligned to other donor and development agencies' work in women's development and economic empowerment.		
Effectiveness	MED	First stage report produced.		
Efficiency	HIGH	At around US\$250,000 this project was low cost, but an important strategic contribution.		
Impact	N/A	-		
Gender	HIGH	Specifically designed to deal with issue affecting education and training for women in the workforce.		
Sustainability	N/A	-		
Report produced: Preliminary Market Scan: Concept Development for PNG Technical Training College for Women. This is a good quality report describing 'an appetite amongst employers to support a pathway to encourage more women into trade jobs', which should be based on 'a specific industry-led model'. As a single study-based project, it is unclear that this report will lead to a sustainable outcome. It is a good report and could, indeed, contribute to further developments. However, the project has not articulated future developments. Partner interviews suggest this is in a state of suspension. Could lead to a Women and Employment Project.				
<b>Bel Isi PNG [ID: 604313]</b> The aim of the project is to measure the cost-benefit of workplace responses to FSV (family and sexual violence) from FY20-22 by analysing data collected from three Bel Isi PNG subscribing companies and from the Bel Isi PNG safe house and case management service.			23/07/2019 01/03/2023 Closed No PCR.	Women
Relevance	HIGH	A major topic of concern for women's employment in PNG. Strong demand from the corporates involved.		
Coherence	HIGH	Strongly aligned to other donor and development agencies' work in addressing barriers to women's development and economic empowerment.		
Effectiveness	MED	Report produced is likely to be very strategic. Involvement of BCFW and other organisations is very sound. COVID-19 reduced the ability of this project to engage in dialogue.		
Efficiency	MED	Some concerns expressed about the lack of flexibility to local needs. At around US\$250,000 this project was low cost, but an important strategic contribution.		
Impact	N/A	While the output is solid, its impact is very hard to predict at this stage. There is a reasonable likelihood this project will produce a positive impact beyond the report and based on support from the three main corporates.		
Gender	HIGH	Specifically designed to deal with issue affecting FSV.		
Sustainability	N/A	As a single study-based project, it is unclear that this report will lead to a sustainable outcome. It is a good report and could, indeed, contribute to further developments. However, the project has not articulated future developments.		
Draft report completed (May 2021): <i>Workplace responses to Family and Sexual Violence in PNG: Measuring the Business Case. Baseline report.</i> This appears to be a good quality report. Shows how approximately USD \$358,051 in lost wages across the three companies each year based on the minimum weekly wage in PNG. Contains a series of practical recommendations. There is still some time to run for this project, which is due for completion in March 2023. Further work on the scoping of the next steps—beyond the research report—is required.				
<b>Pacific ESG [ID: 605881]</b> Aims to improve ESG performance of Pacific companies to help mobilise IFC investment across the Pacific, including PNG, and improve the ESG performance of IFC pipeline and portfolio companies.			03/2022 03/2024 Implementation	ESG
Relevance	HIGH	Aligned with PNG development frameworks, including work with the SME sector where good governance is an important issue.		

Coherence	HIGH	The project also aligns with the overall World Bank Group's strategy to catalyse the private sector in PNG and help attract investment. This synergises with other donor and development priorities.
Effectiveness	-	Too early to speculate.
Efficiency	-	Too early to speculate.
Impact	-	Too early to speculate.
Gender	HIGH	Based on an analysis of the experience of women in corporate boards.
Sustainability	HIGH	The project has been designed with sustainability in mind. Assuming the project performs well, there is a strong likelihood that the demand for ESG and the supply of ESG services will be improved and sustained.
<p>This is a new project (Project Concept Note dated October 2021) conducted in the Pacific with a focus on PNG. Pre-implementation ran from September 2021 to March 2022, with implementation commencing in March 2022. The project is expected to run until March 2024.</p> <p>The project goal is to improve ESG performance of Pacific companies to help mobilise IFC investment across the Pacific, including PNG, and improve the ESG performance of IFC pipeline and portfolio companies. This will be accomplished by:</p> <ol style="list-style-type: none"> <li>1. Improving ESG practices of Pacific companies by providing guidance on implementing better ESG standards and practices. It will selectively target at least three upstream, pipeline or portfolio companies in IFC priority sectors (real and financial sectors), providing targeted, in-depth support addressing specific ESG issues that have been identified as a barrier to investment.</li> <li>2. Increasing ESG investment by building the capacity of funds active in the Pacific to screen target companies for ESG risks and integrate ESG considerations into their investment decision making.</li> <li>3. Strengthening capacity of market intermediaries to provide ESG training and services to Pacific companies.</li> </ol> <p>Likely PNG partners include: NBFIs (Kina /Credit Corp), Total Waste Management, Rhodes, and Mainland Holdings.</p>		
<b>Non-Banking Financial Institution [ID: 606718]</b> This new "seed" project sought to increase access to finance to MSMEs in the country by developing a set of institutional guidelines and high-level roadmap on how local non-banking financial institutions (NBFIs) can transform into commercial banks. The goal is to develop a set of guidelines for the Central Bank of PNG (BPNG) on how a selection of local NBFIs can improve their offering and internal processes by becoming advanced NBFIs and, subsequently, be qualified or ensure success of becoming new market entrant commercial banks under the financial services regulatory framework.		01/2022 05/2022 Closed PCR 19/10/2022 No PCR Overall Rating
Relevance	HIGH	This is an important challenge for government and the private sector and aligns well with government's interest in financial inclusion.
Coherence	HIGH	Strong synergies and alignment with other donor and development efforts in financial inclusion.
Effectiveness	HIGH	Well designed and executed project.
Efficiency	HIGH	High quality well-presented report. Appreciated by government and private sector.
Impact	N/A	-
Gender	HIGH	The issues facing women and women's economic empowerment in the tourism sector were highlighted.
Sustainability	N/A	-
<p>This new project has been described as a "seed" to develop a set of guidelines for the Central Bank of PNG (BPNG) in the form of a high-level transformation road map of NBFIs into banks and benchmarking assessment of 2-3 countries to consider as reference. The goal was to help the regulator develop or update regulation, with the potential technical support of IFC in the following phase.</p> <p>Two studies were undertaken: (1) Legal Workstream and (2) Market Workstream. The legal workstream assessed the legal feasibility and ramifications for NBFIs to transform; the implications, challenges, and possibilities for NBFIs to transform into commercial banks, given the current legal environment; and best practice regulations and policies for NBFI transformation. The market workstream included a sectoral transformation feasibility, the development of an initial and high-level framework of strategic and operational transformation road map to support NBFIs in MSME banking products, and a rapid assessment of the MSME financing demand and supply dynamics. These studies will be used in future efforts to inform conversations with the regulator and local NBFIs to take this work forward. Later this year, it is envisaged that the IFC will identify and confirm the interest of potential candidates and provide business development and market engagement activities to support the regulator and interested NBFIs.</p> <p>An additional US\$250,000 was approved in 2023 to fast-track client advisory diagnostics by end-June 2023, at the request of IFC's NBFI clients. This brought the total PNG Partnership allocation for this project to \$673,195.</p>		
<b>Accelerate2Equal [ID: 606860]</b>		From: 09/2022 Women

This project seeks to create more inclusive and productive workplaces and increase quality jobs for women in the formal sector in PNG by addressing firm level challenges with recruiting, retaining, and promoting women through firm level advisory engagements, developing a Centre for Women in Trades and developing evidence and scale the business case for addressing gender gaps.		To: 09/2026 Implementation	
Relevance	HIGH	Strong alignment with the government's Medium-Term Development Plan 2018-2022, the PNG Development Strategic Plan 2010-2023 and Vision 2050. The government highlights women's economic empowerment as a key economic growth goal.	
Coherence	HIGH	Support for women's employment in PNG is strongly aligned with other development programming and aspirations.	
Effectiveness	-	Difficult to assess at this stage. Still underway.	
Efficiency	-	Difficult to assess at this stage. Still underway.	
Impact	-	Difficult to assess at this stage. Still underway.	
Gender	HIGH	Specifically designed and managed to address the employment barriers faced by women.	
Sustainability	-	Difficult to assess at this stage. Still underway.	
<p>This is a well-focused, strategic project that has been recently initiated and has some way to go. It has three components. Component 1 addresses firm level challenges with recruiting, retaining, and promoting women through firm level advisory engagements through firm-level advice and building market capacity.</p> <p>Component 2 seeks to develop a Centre for Women in Trade (CWT). This begins by building on the feasibility study which established the industry demand for the CWT in Port Moresby, including the development of a full business plan, and then mobilising investment in a separate project vehicle.</p> <p>Component 3 develops evidence and scales up the business case for addressing gender gaps in PNG through two studies: (1) tackling childcare in PNG and (2) exploring the prevalence of financial abuse in PNG, with view to helping financial institutions, FSV services and employers better understand and respond with solutions.</p> <p>It is anticipated that this project will run to September 2026. However, this is likely contingent upon an agreement of an extension of the Partnership. Without an extension, additional project funding would be necessary.</p>			
<b>Credit Corporation Transformation TA (ID: 607262)</b>		12/2022 12/2025 Active	Finance
<p>This project will explore growth opportunities for the Credit Corporation PNG (CCF) in the Pacific, particularly the opportunity to grow the MSME financing segment and develop its capacity to become a full-fledged financial institution. Its long-term aspiration is to become PNG's next commercial bank and a regional banking group. IFC and CCF undertook the first step in pursuing a strategic partnership by completing a comprehensive 360 Diagnostic in 2021. The objectives of the project are: (1) an improved framework for problem loan management is implemented by the client, (2) a new credit score card is deployed by the client supporting their new SLGP portfolio, and (3) a new model risk governance framework is adopted.</p>			
Relevance	HIGH	This is an important challenge for government and the private sector and aligns well with government's interest in financial inclusion.	
Coherence	HIGH	Strong synergies and alignment with other donor and development efforts in financial inclusion.	
Effectiveness	HIGH	This new project appears well designed.	
Efficiency	N/A	Too early to tell.	
Impact	N/A	Too early to tell.	
Gender	LOW	There are no gender markers and no indication as to how this project could lead to the financial inclusion of women.	
Sustainability	N/A	Too early to tell.	
This new project, approved in March 2023, and it is too early to assess its efficiency, impact or sustainability.			

## 5.7 PNG Partnership - Project Details and Evaluation Notes

PNG Partnership I: March 2015 – June 2022															
Project Name	Implementation	Current Status													
<b>Interoperable Switch (component of Pacific Payment Systems project)</b> [ID: 585727] Sector: Finance	From: 12/2015 To: 06/2022  Implementation Period: 79 months	Closed: 30/06/2023  No PCR  Other Rating: <b>Successful</b>	2015	J	F	M	A	M	J	J	A	S	O	N	D
			2016	J	F	M	A	M	J	J	A	S	O	N	D
			2017	J	F	M	A	M	J	J	A	S	O	N	D
			2018	J	F	M	A	M	J	J	A	S	O	N	D
			2019	J	F	M	A	M	J	J	A	S	O	N	D
			2020	J	F	M	A	M	J	J	A	S	O	N	D
			2021	J	F	M	A	M	J	J	A	S	O	N	D
			2022	J	F	M	A	M	J	J	A	S	O	N	D
			2023	J	F	M	A	M	J	J	A	S	O	N	D
<b>PNG SME Tax</b> [ID: 592867] Sector: SME	From: 02/2015 To: 12/2019  Implementation Period: 59 months	Closed: 12/2019 PCR Approved: 04/05/2020  PCR Overall Rating: <b>Mostly Unsuccessful</b>	2015	J	F	M	A	M	J	J	A	S	O	N	D
			2016	J	F	M	A	M	J	J	A	S	O	N	D
			2017	J	F	M	A	M	J	J	A	S	O	N	D
			2018	J	F	M	A	M	J	J	A	S	O	N	D
			2019	J	F	M	A	M	J	J	A	S	O	N	D
			2020	J	F	M	A	M	J	J	A	S	O	N	D
			2021	J	F	M	A	M	J	J	A	S	O	N	D
			2022	J	F	M	A	M	J	J	A	S	O	N	D
			2023	J	F	M	A	M	J	J	A	S	O	N	D
<b>Lighting PNG Extension</b> [ID: 594427] Sector: Energy	From: 11/2016 To: 30/06/2019	Closed 30/06/2019	2015	J	F	M	A	M	J	J	A	S	O	N	D
			2016	J	F	M	A	M	J	J	A	S	O	N	D
			2017	J	F	M	A	M	J	J	A	S	O	N	D

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	Implementation Period: 32 months	PCR Approved: 12/06/2020  PCR Overall Rating: <b>Successful</b>	2018	J	F	M	A	M	J	J	A	S	O	N	D
			2019	J	F	M	A	M	J	J	A	S	O	N	D
			2020	J	F	M	A	M	J	J	A	S	O	N	D
			2021	J	F	M	A	M	J	J	A	S	O	N	D
			2022	J	F	M	A	M	J	J	A	S	O	N	D
			2023	J	F	M	A	M	J	J	A	S	O	N	D
<b>Pacific WINvest</b> [ID: 599352] Sector: women	From: 07/2014 To: 12/2019  Implementation Period: 60 months	Closed: 12/2019 PCR Approved: 26/08/2020  PCR Overall Rating: <b>Successful</b>	2015	J	F	M	A	M	J	J	A	S	O	N	D
			2016	J	F	M	A	M	J	J	A	S	O	N	D
			2017	J	F	M	A	M	J	J	A	S	O	N	D
			2018	J	F	M	A	M	J	J	A	S	O	N	D
			2019	J	F	M	A	M	J	J	A	S	O	N	D
			2020	J	F	M	A	M	J	J	A	S	O	N	D
			2021	J	F	M	A	M	J	J	A	S	O	N	D
			2022	J	F	M	A	M	J	J	A	S	O	N	D
<b>Pacific Westpac M-Banking</b> [ID: 599825] Sector: Finance	From: 02/2014 To: 12/2017  Implementation Period: 36 months	Closed: 06/2018 PCR Approved: 18/06/2018  PCR Overall Rating: <b>Mostly Successful</b>	2015	J	F	M	A	M	J	J	A	S	O	N	D
			2016	J	F	M	A	M	J	J	A	S	O	N	D
			2017	J	F	M	A	M	J	J	A	S	O	N	D
			2018	J	F	M	A	M	J	J	A	S	O	N	D
			2019	J	F	M	A	M	J	J	A	S	O	N	D
			2020	J	F	M	A	M	J	J	A	S	O	N	D
			2021	J	F	M	A	M	J	J	A	S	O	N	D
			2022	J	F	M	A	M	J	J	A	S	O	N	D
<b>Agriculture PNG</b>	From: 07/2013	Closed	2015	J	F	M	A	M	J	J	A	S	O	N	D

Australia, New Zealand, International Finance Corporation: Papua New Guinea Partnership

[ID: 599409] Sector: Agriculture	To: 09/2018  Implementation Period: 45 months	PCR Overall Rating: <b>Unsuccessful</b>	2016	J	F	M	A	M	J	J	A	S	O	N	D
			2017	J	F	M	A	M	J	J	A	S	O	N	D
			2018	J	F	M	A	M	J	J	A	S	O	N	D
			2019	J	F	M	A	M	J	J	A	S	O	N	D
			2020	J	F	M	A	M	J	J	A	S	O	N	D
			2021	J	F	M	A	M	J	J	A	S	O	N	D
			2022	J	F	M	A	M	J	J	A	S	O	N	D
			2023	J	F	M	A	M	J	J	A	S	O	N	D
<b>Pacific Renewable Energy Generation</b> (also funded by PP-II) [ID: 600131] Sector: Energy	From: 06/2017 To: 11/2021  Implementation Period: 46 months	Closed  Overall PCR Rating: <b>Mostly Successful</b>	2015	J	F	M	A	M	J	J	A	S	O	N	D
			2016	J	F	M	A	M	J	J	A	S	O	N	D
			2017	J	F	M	A	M	J	J	A	S	O	N	D
			2018	J	F	M	A	M	J	J	A	S	O	N	D
			2019	J	F	M	A	M	J	J	A	S	O	N	D
			2020	J	F	M	A	M	J	J	A	S	O	N	D
			2021	J	F	M	A	M	J	J	A	S	O	N	D
			2022	J	F	M	A	M	J	J	A	S	O	N	D
<b>PNG Hospital PPP</b> [ID: 602234] Sector: Health	From: 06/2018 To: 12/2021  Implementation Period: 36 months	Closed  Overall PCR Rating: no rating	2015	J	F	M	A	M	J	J	A	S	O	N	D
			2016	J	F	M	A	M	J	J	A	S	O	N	D
			2017	J	F	M	A	M	J	J	A	S	O	N	D
			2018	J	F	M	A	M	J	J	A	S	O	N	D
			2019	J	F	M	A	M	J	J	A	S	O	N	D
			2020	J	F	M	A	M	J	J	A	S	O	N	D
			2021	J	F	M	A	M	J	J	A	S	O	N	D
			2022	J	F	M	A	M	J	J	A	S	O	N	D

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			2023	J	F	M	A	M	J	J	A	S	O	N	D
<b>PNG Tourism</b> [ID: 602271] Sector: Tourism	From: 07/2017 To: 10/2020	Closed  Overall PCR Rating: <b>Mostly Successful</b>	2015	J	F	M	A	M	J	J	A	S	O	N	D
	Implementation Period: 48 months		2016	J	F	M	A	M	J	J	A	S	O	N	D
			2017	J	F	M	A	M	J	J	A	S	O	N	D
			2018	J	F	M	A	M	J	J	A	S	O	N	D
			2019	J	F	M	A	M	J	J	A	S	O	N	D
			2020	J	F	M	A	M	J	J	A	S	O	N	D
			2021	J	F	M	A	M	J	J	A	S	O	N	D
			2022	J	F	M	A	M	J	J	A	S	O	N	D
			2023	J	F	M	A	M	J	J	A	S	O	N	D
<b>Tourism Baseline Study (component of PNG Tourism project)</b> [ID: 602271] Sector: Tourism	From: 11/2015 To: 07/2016	Closed: 07/2026 No PCR No PCR Overall Rating	2015	J	F	M	A	M	J	J	A	S	O	N	D
	Implementation Period: 9 months		2016	J	F	M	A	M	J	J	A	S	O	N	D
			2017	J	F	M	A	M	J	J	A	S	O	N	D
			2018	J	F	M	A	M	J	J	A	S	O	N	D
			2019	J	F	M	A	M	J	J	A	S	O	N	D
			2020	J	F	M	A	M	J	J	A	S	O	N	D
			2021	J	F	M	A	M	J	J	A	S	O	N	D
			2022	J	F	M	A	M	J	J	A	S	O	N	D
			2023	J	F	M	A	M	J	J	A	S	O	N	D
<b>PNG Gulf</b> [ID: 602912] Agriculture	From: 12/2017 To: 12/2018	Closed: 12/2018 No PCR No PCR Overall Rating	2015	J	F	M	A	M	J	J	A	S	O	N	D
	Implementation Period: 13 months		2016	J	F	M	A	M	J	J	A	S	O	N	D
			2017	J	F	M	A	M	J	J	A	S	O	N	D
			2018	J	F	M	A	M	J	J	A	S	O	N	D
			2019	J	F	M	A	M	J	J	A	S	O	N	D
			2020	J	F	M	A	M	J	J	A	S	O	N	D

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			2021	J	F	M	A	M	J	J	A	S	O	N	D
			2022	J	F	M	A	M	J	J	A	S	O	N	D
			2023	J	F	M	A	M	J	J	A	S	O	N	D
<b>PNG Partnership II: May 2018 – June 2022 – Plus no-costs extension to June 2023</b>															
<b>PNG SME Competitiveness Project</b> [ID: 601353] Sector: SMEs	From: 01/2019 To: 06/2022  Implementation Period: 42 months	Closed: 01/2023 PCR Approved: 12/01/2023  PCR Overall Rating: <b>Unsuccessful</b>	2015	J	F	M	A	M	J	J	A	S	O	N	D
			2016	J	F	M	A	M	J	J	A	S	O	N	D
			2017	J	F	M	A	M	J	J	A	S	O	N	D
			2018	J	F	M	A	M	J	J	A	S	O	N	D
			2019	J	F	M	A	M	J	J	A	S	O	N	D
			2020	J	F	M	A	M	J	J	A	S	O	N	D
			2021	J	F	M	A	M	J	J	A	S	O	N	D
			2022	J	F	M	A	M	J	J	A	S	O	N	D
			2023	J	F	M	A	M	J	J	A	S	O	N	D
<b>Capital Markets Development – PNG</b> [ID: 602232] Sector: Finance	From: 09/2017 To: 06/2022  Implementation Period: 58 months	Closed  The PCR has not yet been prepared. No PCR Rating.	2015	J	F	M	A	M	J	J	A	S	O	N	D
			2016	J	F	M	A	M	J	J	A	S	O	N	D
			2017	J	F	M	A	M	J	J	A	S	O	N	D
			2018	J	F	M	A	M	J	J	A	S	O	N	D
			2019	J	F	M	A	M	J	J	A	S	O	N	D
			2020	J	F	M	A	M	J	J	A	S	O	N	D
			2021	J	F	M	A	M	J	J	A	S	O	N	D
			2022	J	F	M	A	M	J	J	A	S	O	N	D
			2023	J	F	M	A	M	J	J	A	S	O	N	D
<b>PNG Consumer Protection</b> [ID: 602330]	From: 05/2018 To: 12/2022	Closed	2015	J	F	M	A	M	J	J	A	S	O	N	D
			2016	J	F	M	A	M	J	J	A	S	O	N	D
			2017	J	F	M	A	M	J	J	A	S	O	N	D

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Sector: Finance	Implementation Period: 56 months	The PCR has not yet been prepared. No PCR Rating.	2018	J	F	M	A	M	J	J	A	S	O	N	D
			2019	J	F	M	A	M	J	J	A	S	O	N	D
			2020	J	F	M	A	M	J	J	A	S	O	N	D
			2021	J	F	M	A	M	J	J	A	S	O	N	D
			2022	J	F	M	A	M	J	J	A	S	O	N	D
			2023	J	F	M	A	M	J	J	A	S	O	N	D
<b>PNG Cassava</b> [ID: 603456] Sector: Agriculture	From: 02/2020 To: 06/2022  Implementation Period: 29 months	Closed  The PCR has not yet been prepared. No PCR Rating.	2015	J	F	M	A	M	J	J	A	S	O	N	D
			2016	J	F	M	A	M	J	J	A	S	O	N	D
			2017	J	F	M	A	M	J	J	A	S	O	N	D
			2018	J	F	M	A	M	J	J	A	S	O	N	D
			2019	J	F	M	A	M	J	J	A	S	O	N	D
			2020	J	F	M	A	M	J	J	A	S	O	N	D
			2021	J	F	M	A	M	J	J	A	S	O	N	D
			2022	J	F	M	A	M	J	J	A	S	O	N	D
			2023	J	F	M	A	M	J	J	A	S	O	N	D
<b>Kina Bank PNG TA</b> [ID: 603602] Sector: Finance	From: 11/2018 To: 12/2021  Implementation Period: 38 months	Closed  PCR Overall Rating: Mostly Successful	2015	J	F	M	A	M	J	J	A	S	O	N	D
			2016	J	F	M	A	M	J	J	A	S	O	N	D
			2017	J	F	M	A	M	J	J	A	S	O	N	D
			2018	J	F	M	A	M	J	J	A	S	O	N	D
			2019	J	F	M	A	M	J	J	A	S	O	N	D
			2020	J	F	M	A	M	J	J	A	S	O	N	D
			2021	J	F	M	A	M	J	J	A	S	O	N	D
			2022	J	F	M	A	M	J	J	A	S	O	N	D
			2023	J	F	M	A	M	J	J	A	S	O	N	D

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<b>PNG Affordable Housing PPP</b> [ID: 603069/603897] Sector: Housing	From: 03/2021 To: 04/2021	Closed No PCR	2015	J	F	M	A	M	J	J	A	S	O	N	D
	Pre-implementation 04/2018 – 03/2021		2016	J	F	M	A	M	J	J	A	S	O	N	D
	Post-Implementation 04/2021 – 06/2021		2017	J	F	M	A	M	J	J	A	S	O	N	D
	Implementation Period: 2 months		2018	J	F	M	A	M	J	J	A	S	O	N	D
			2019	J	F	M	A	M	J	J	A	S	O	N	D
			2020	J	F	M	A	M	J	J	A	S	O	N	D
			2021	J	F	M	A	M	J	J	A	S	O	N	D
			2022	J	F	M	A	M	J	J	A	S	O	N	D
			2023	J	F	M	A	M	J	J	A	S	O	N	D
	<b>PNG Remote Grid IPP</b> [ID: 603545] Sector: Energy		From: 07/2019 To: 06/2023	Implementation (i.e., still active, no PCR)	2015	J	F	M	A	M	J	J	A	S	O
Pre-implementation 06/2019 – 06/2019		2016	J		F	M	A	M	J	J	A	S	O	N	D
Implementation Period: 60 months		2017	J		F	M	A	M	J	J	A	S	O	N	D
		2018	J		F	M	A	M	J	J	A	S	O	N	D
		2019	J		F	M	A	M	J	J	A	S	O	N	D
		2020	J		F	M	A	M	J	J	A	S	O	N	D
		2021	J		F	M	A	M	J	J	A	S	O	N	D
		2022	J		F	M	A	M	J	J	A	S	O	N	D
		2023	J		F	M	A	M	J	J	A	S	O	N	D
<b>PNG Markham/Ramu Commercial Agriculture Development Program</b> [ID: 604226] Sector: Agriculture	From: 01/2020 To: 01/2020	Closed No PCR	2015	J	F	M	A	M	J	J	A	S	O	N	D
	Pre-implementation 07/2019 – 12/2019		2016	J	F	M	A	M	J	J	A	S	O	N	D
	Implementation Period: 1 month		2017	J	F	M	A	M	J	J	A	S	O	N	D
			2018	J	F	M	A	M	J	J	A	S	O	N	D
			2019	J	F	M	A	M	J	J	A	S	O	N	D
			2020	J	F	M	A	M	J	J	A	S	O	N	D
			2021	J	F	M	A	M	J	J	A	S	O	N	D

			2022	J	F	M	A	M	J	J	A	S	O	N	D
			2023	J	F	M	A	M	J	J	A	S	O	N	D
<b>PNG Women's Technical and Vocational Education and Training (TVET) – Feasibility Study</b> [ID: 604167] Sector: Women	From: 05/2019 To: 06/2021  Implementation Period: 14 months	Closed: 06/2021  No PCR No PCR Overall Rating	2015	J	F	M	A	M	J	J	A	S	O	N	D
			2016	J	F	M	A	M	J	J	A	S	O	N	D
			2017	J	F	M	A	M	J	J	A	S	O	N	D
			2018	J	F	M	A	M	J	J	A	S	O	N	D
			2019	J	F	M	A	M	J	J	A	S	O	N	D
			2020	J	F	M	A	M	J	J	A	S	O	N	D
			2021	J	F	M	A	M	J	J	A	S	O	N	D
			2022	J	F	M	A	M	J	J	A	S	O	N	D
			2023	J	F	M	A	M	J	J	A	S	O	N	D
<b>Bel Isi PNG</b> [ID: 604313] Sector: Women	From: 12/2021 To: 03/2023  Pre-implementation 08/2019 – 12/2021  Implementation Period: 16 months	Closed  No PCR	2015	J	F	M	A	M	J	J	A	S	O	N	D
			2016	J	F	M	A	M	J	J	A	S	O	N	D
			2017	J	F	M	A	M	J	J	A	S	O	N	D
			2018	J	F	M	A	M	J	J	A	S	O	N	D
			2019	J	F	M	A	M	J	J	A	S	O	N	D
			2020	J	F	M	A	M	J	J	A	S	O	N	D
			2021	J	F	M	A	M	J	J	A	S	O	N	D
			2022	J	F	M	A	M	J	J	A	S	O	N	D
			2023	J	F	M	A	M	J	J	A	S	O	N	D
<b>Pacific ESG</b> [ID: 605881] Sector: None	From 03/2022 To 03/2024  Pre-implementation 08/2019 – 12/2021	Implementation	2015	J	F	M	A	M	J	J	A	S	O	N	D
			2016	J	F	M	A	M	J	J	A	S	O	N	D
			2017	J	F	M	A	M	J	J	A	S	O	N	D
			2018	J	F	M	A	M	J	J	A	S	O	N	D
			2019	J	F	M	A	M	J	J	A	S	O	N	D

	Implementation Period: 36 months (anticipated)		2020	J	F	M	A	M	J	J	A	S	O	N	D
			2021	J	F	M	A	M	J	J	A	S	O	N	D
			2022	J	F	M	A	M	J	J	A	S	O	N	D
			2023	J	F	M	A	M	J	J	A	S	O	N	D
<b>Non-Banking Financial Institution</b> [ID: 606718] Sector: Finance	From: 01/2022 To: 05/2022	Closed: 10/2022 PCR Approved: 10/10/2022 No PCR Overall Rating	2015	J	F	M	A	M	J	J	A	S	O	N	D
	Pre-implementation 11/2021 – 04/2022		2016	J	F	M	A	M	J	J	A	S	O	N	D
	Post-Implementation 04/2024 – 05/2024		2017	J	F	M	A	M	J	J	A	S	O	N	D
	Implementation Period: 1 month		2018	J	F	M	A	M	J	J	A	S	O	N	D
			2019	J	F	M	A	M	J	J	A	S	O	N	D
			2020	J	F	M	A	M	J	J	A	S	O	N	D
			2021	J	F	M	A	M	J	J	A	S	O	N	D
			2022	J	F	M	A	M	J	J	A	S	O	N	D
			2023	J	F	M	A	M	J	J	A	S	O	N	D
<b>Accelerate2Equal</b> [ID: 606860] Sector: Women	From: 09/2022 To: 09/2026	Implementation	2015	J	F	M	A	M	J	J	A	S	O	N	D
	Pre-implementation 03/2022 – 08/2022		2016	J	F	M	A	M	J	J	A	S	O	N	D
	Post-Implementation 10/2026 – 03/2027		2017	J	F	M	A	M	J	J	A	S	O	N	D
	Implementation Period: 48 months (anticipated)		2018	J	F	M	A	M	J	J	A	S	O	N	D
			2019	J	F	M	A	M	J	J	A	S	O	N	D
			2020	J	F	M	A	M	J	J	A	S	O	N	D
			2021	J	F	M	A	M	J	J	A	S	O	N	D
			2022	J	F	M	A	M	J	J	A	S	O	N	D
			2023	J	F	M	A	M	J	J	A	S	O	N	D