

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

Midterm Evaluation Midterm Evaluation Report

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Executive summary

The Papua New Guinea (PNG) Partnership grew out of the regional Pacific Partnership, which was established in 2015, first as a ‘sub-partnership’, then in 2017, as a standalone entity. Originally involving only Australia’s Department of Foreign Affairs and Trade (DFAT) and the International Finance Corporation (IFC), New Zealand’s Ministry of Foreign Affairs and Trade (MFAT) joined the partnership in June 2017. Since 2015, DFAT and MFAT have committed approximately US\$38.3 million to the PNG Partnership over the two phases. The total value of PNG Partnership approved for projects is US\$18.9 million, based on funds approved for projects, excluding operational overhead costs. The partnership is due to conclude on 30 June 2022.

This report presents the findings of a midterm evaluation conducted from March to June 2021. The objective of the evaluation is ‘to assess the Partnership’s overall progress towards promoting private sector development (PSD) in PNG (particularly on programs focused on agriculture, tourism, power, financial markets, digital technology, public-private partnerships, and gender); the success and/or progress to date of underlying projects (both active and closed), including an assessment of the ongoing relevance of active projects given the impact of COVID-19.’ It covers activities undertaken from March 2015 through to December 2020. Since its inception, the PNG Partnership has supported 21 projects.

The midterm evaluation examined the overall management of the PNG Partnership and its portfolio of completed and current projects. A mixed methodology was applied to evaluate the partnership, incorporating quantitative and qualitative measures. This included a desk review of documents, followed by stakeholder and beneficiary consultations. Because the midterm evaluation was conducted during the coronavirus (COVID-19) pandemic, stakeholder and beneficiary consultations were organised around limited physical and virtual meetings and, in the case of beneficiaries, limited use of questionnaires administered by intermediaries. Despite these limitations, more than 74 stakeholders were consulted (i.e., 29 IFC staff, 37 project partners and eight representatives from other development agencies). In addition, representatives from DFAT and MFAT were interviewed, and 22 project beneficiaries were surveyed.

The evaluation applied an evaluation matrix based on those developed by the Organization for Economic Cooperation (OECD) Donor Assistance Committee (DAC) in the *Principles for Evaluation of Development Assistance*. This focused on Relevance (Is the intervention doing the right things?); Effectiveness (Is the intervention achieving its objectives?); Efficiency (How well are resources being used?); Impact (What difference does the intervention make?); and Sustainability (Will the benefits last?).

Relevance

Overall, the partnership has been found to be relevant to and aligned with the priorities, policies and strategies of IFC, Australia and New Zealand, which are informed by PNG’s *Medium-Term Development Plan for 2018–22 (MTDPIII)*, *Vision 2050* and the *PNG Development Strategic Plan 2010–2030*. Across the project portfolio, many projects were found to be relevant in terms of the sectors, markets or themes they were working in. However, there were some areas where the relevance of the project’s design was criticised by project partners. These concerns typically arose in projects in the agricultural sector as well as in business environment reform and public-private partnership (PPP) projects.

Partnership governance is sound. All project proposals are submitted to the Steering Committee as Project Initiative Notes for approval. These provide an 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 World Bank Group’s Country Partnership Framework, the national development strategy and plan, and DFAT and MFAT country strategies. Project Initiative Notes also provide information on the

stakeholders, donors and development agencies that have been consulted in the formulation of the project.

Some concerns were noted regarding the ways gender concerns were identified and addressed. A number of projects identified gender-related concerns when being formulated but appeared to pay little attention to these issues as the project was implemented. However, there were, indeed, some very good projects focused on women's economic empowerment and several projects that integrated gender concerns effectively.

Effectiveness

Partnership project inputs and activities are well formulated and coordinated. Projects have benefited from the IFC extensive experience in project management and relied on IFC systems and procedures. The IFC has demonstrated an ability to bring in high-quality expertise, which many project partners commended: experts and advisers were highly competent in their field, well briefed on what was required of them and, mostly, sufficiently familiar with the challenges of the PNG context.

All partnership projects benefited from the IFC's experience in project management and alignment with institution-wide performance management system. Project teams are supported by a team of results measurement specialists who oversee the design of results measurement frameworks and the formulation of monitoring metrics. The results measurement system differentiates by gender, and gender indicators are suitably applied.

COVID-19 has delayed the implementation of projects and the collection of monitoring data, but by and large, the partnership has been able to continue to work with project partners to effectively deal with monitoring challenges.

Efficiency

Partnership resources (i.e., funds, staffing, organizational capacities) are well coordinated and managed across the partnership. These are carefully directed towards achieving the partnership objectives and high-level goals. Partnership governance structures are well suited to the partnership program overall. The Steering Committee provides an important mechanism through which partners can update one another on new developments and through which project proposals can be considered. In addition, monthly 'check-in meetings' are held, which typically allow for 'deep dive' discussions on specific projects, themes or sectors.

Value for money is achieved through partnerships with the private sector. This helps leverage funds beyond those provided by the PNG Partnership and increases the likelihood that project outcomes and impacts will be sustained over time. The PNG Partnership makes full use of the IFC's capacity as an international development agency with broad experience, a robust project design, management, monitoring, and reporting systems, and a local presence and networks in PNG. While there is a cost to these resources (e.g., concerns regarding the bureaucratic burden on projects and partners), the partnership gains enormous value from this arrangement.

The partnership relies heavily on the use of external consultants and advisers to support project activities. With some minor exceptions, this stopped with the emergence of the COVID-19 pandemic in PNG. In response, project team leaders reassessed the projects, in consultation with project partners, and considered what changes were required. In general, this led to a significant increase in the use of online consultation and advisory services. Where possible and relevant, it has also led to increasing local staffing numbers and the use of local consultants and service providers.

There were several concerns raised during the evaluation regarding the lack of information sharing and coordination among donors and development agencies working in PSD in PNG. The lack of effective coordination was raised by other development organisations working in PNG on PSD as well as by a number of project partners. There were also strong concerns raised regarding competition

among agencies. These concerns ranged from a general observation by agencies and partners regarding poor levels of communication and information sharing, to very pointed concerns regarding the misuse of shared information. While there have been interagency meetings held, there were complaints that not all agencies were prepared to share information regarding current and planned projects and programs.

Impact

In general, the partnership portfolio is tracking toward the achievement of the anticipated goals. However, while there have been some important outcomes achieved by the partnership, the COVID-19 pandemic and other project-specific delays make it difficult to have confidence that all objectives will be achieved in the remaining thirteen months to June 2022. In addition, the IFC has recently reported that it is not tracking to allocate or spend a significant portion of available funding by current end date of Partnership.

Partnership projects in finance and energy have performed well. Indeed, these projects currently drive most of the overall partnership results. The single project on tourism has also been important and contributed to partnership outcomes. However, the disruptions to tourism markets created by COVID-19 threatens to undermine these results for some time to come. There are clear challenges for the partnership's work in agriculture, business environment reform and PPPs. This requires urgent attention to better understand the constraints in these fields and how these can be overcome.

Sustainability

Partnership projects have been well designed and cognizant 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 sustainability of the project.

Significant attention is given to building the capacity of local partners to deliver better, more market responsive services and products.

The partnership treats gender as a crosscutting theme and projects are formulated and monitored in a gender-sensitive manner. Many of the project partners interviewed for this evaluation commended the IFC for its work in this regard.

Finally, the midterm evaluation identified areas where the PNG Partnership could be improved. This included:

- Avoiding overly complex projects to ensure projects are kept within the absorptive capacity of partners and beneficiaries.
- Allowing more time to align project partner interests, adapting to changing circumstances and building partner capacities to the maximum extent possible.
- Improving the timeliness and responsiveness of project interventions—many project partners expressed a concern regarding the slow speed of the IFC 'bureaucracy' in terms of decision making and procurement.
- Differentiating project strategies across the sectors and markets, including the tools and resources the partnership can apply to these.
- Investing more in strategic discussions with the Steering Committee on project strategy and monitoring progress. While there are regular monthly 'check-ins' between Steering Committee members, there could be more regular 'deep dive' discussions around the role of the partnership in transforming markets and businesses in specific sectors and markets.
- Reconsidering some engagements where project performance has been low (e.g., agriculture, business environment reform and PPPs). While this does not necessarily imply such engagements must be stopped, there is a clear and urgent need to reconsider why, how and to what purpose the partnership should continue in these fields. This would be based on an

understanding of the capacity of government agencies and other project partners, as well as on the specific instruments available to the partnership.

The evaluation makes five recommendations:

Recommendation 1: No-cost extension (12 months)

It is recommended that DFAT, MFAT and IFC agree to a no-cost extension to at least 30 June 2023 for the PNG Partnership. This would allow the partnership to respond to the substantial and ongoing delays created by the COVID-19 pandemic and to address the unallocated funding of the partnership budget. However, before agreeing to this extension, the IFC should submit a detailed workplan for the Steering Committee’s approval outlining how each of the current partnership projects will be adjusted, where necessary. While this workplan may also outline the options of supporting new projects in the extension period, there would be challenges faced to ensure these are completed by 30 June 2023. Thus, a period of no-cost extension would allow the partnership to take some difficult decisions regarding which sectors and markets to continue in and which to conclude.

Recommendation 2: Strengthen support for donor coordination

It is recommended that DFAT and MFAT—as the donors of the PNG Partnership—consider the ways in which donor coordination in PSD in PNG can be improved. A critical starting point for this should be strategies to improve the sharing of program information with other donors and development agencies working on PSD. This may also involve further engagement with the PNG Government on this topic.

Recommendation 3: Improve the design and monitoring of gender mainstreaming

It is 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. This analysis should also include awareness of other gender interventions in the sector. This should lead to a briefing note that is submitted to the PNG Partnership Steering Committee outlining the practical actions taken to address these concerns within the current project portfolio and advice for future project formulation, management and monitoring within the partnership.

Recommendation 4: Conduct independent project evaluations

It is 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 (or two evaluations by June 2022 should the no-cost extension not be agreed to). This would require the allocation of partnership funds for this purpose. The independent evaluation reports should be made public and disseminated to relevant actors in PNG and the Pacific.

Recommendation 5: Improve longer-term program alignment

It is 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. The emergence of the new Australian-PNG Economic Partnership will be important in this regard. Moreover, the PNG Partnership would benefit from a clearer articulation of its strategy for supporting market development and PSD in the selected sectors and markets, rather than relying on a general set of goals that span all these sectors without differentiating the partnership’s approach. A better program alignment would also contribute to improving donor coordination (Recommendation 2), including opportunities for strengthening project-based collaboration with other donor and development agencies. Better program alignment would also be more conducive to more effectively integrating gender as a crosscutting theme (Recommendation 3), while creating more opportunities for stronger synergies across groups of projects. This alignment

would contribute to a broader consideration of the role of the PNG Partnership beyond PP-II (i.e., towards a possible third phase of the partnership).

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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
COVID-19	Coronavirus disease
IFC	International Finance Corporation
IPP	Independent power producer
MDF	Market Development Facility
MFAT	Department of Foreign Affairs and Trade (New Zealand Government)
MTDPIII	PNG's Medium-Term Development Plan for 2018–22
NZ	New Zealand
NZ\$	New Zealand Dollar
OCED-DAC	Organization for Economic Cooperation, Donor Assistance Committee
PNG	Papua New Guinea
PP-I	PNG Partnership Phase 1 (March 2015 – June 2022)
PP-II	PNG Partnership Phase 2 (May 2018 – June 2022)
PPP	Public-private partnership
PSD	Private sector development
PSDI	Private Sector Development Initiative (ADB)
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 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\$20,019,000 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 ‘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.’¹

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) <i>Australia-New Zealand-IFC Pacific Partnership and Australia-IFC Papua New Guinea Partnership; Progress Report – July to December 2015</i> , IFC, Sydney	

In May 2017, DFAT PNG and IFC formally agreed to separate the management of PNG activities from the DFAT-IFC Pacific Partnership 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\$20,000,000. While the same goals were used to guide project selection, additional targets 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.²

In June 2017, New Zealand’s Ministry of Foreign Affairs and Trade (MFAT) joined the PNG Partnership with a contribution of NZ\$2,500,000 for activities to 30 June 2022. In June 2019, MFAT increased its contribution with an additional NZ\$10,000,000. Under the PNG Partnership, MFAT funding is co-mingled with the existing funds from DFAT. See Figure 2, below.

Since 2015, DFAT and MFAT have committed approximately US\$38.3 million to the PNG Partnership over the two phases. The total value of PNG Partnership I and II (i.e., PP-I and PP-II) funding approved for projects (i.e., closed and active project) is US\$18.9 million, based on funding committed to projects (presented in Figure 3, further below). This excludes operational overhead costs.³ Currently, some

¹ IFC (2018) *In Partnership: Australia, New Zealand and IFC*, IFC, Washington DC.

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

³ The term ‘operation overhead costs’ refers to business development funding, which relates to a sum of funds that have been agreed by DFAT and MFAT to be set aside from the funding envelopes to primarily identify and facilitate investment and advisory opportunities. This recognises the high cost of doing

US\$8.5 million remains unallocated. The two remaining tranches from DFAT and MFAT that are still to be disbursed is approximately US\$2.9 million, while the total committed funding available for projects is approximately US\$11.4 million.

Figure 2: PNG Partnership I and II; Funding Arrangements

PNG Partnership I: March 2015 – June 2022	PNG Partnership II: May 2018 – June 2022
DFAT contribution A\$20,019,000 MFAT contribution NZ\$500,000 (i.e., Tranche 1 funding amount)	DFAT contribution A\$20,000,000 MFAT contribution NZ\$ 2,000,000 (i.e., Tranches 2-5). Additional MFAT contribution NZ\$ 10,000,000
PP-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 PPII Partnership, and their results are only captured in this PP-II.
SOURCE: PNG Partnership (2021) <i>Progress Report July 2020 to December 2020</i> , IFC, Sydney	

Since its inception, the PNG Partnership (i.e., Partnerships I and II) has supported 21 projects.

Figure 3, below, presents a brief overview of these projects. Annex 6.5 provides more details on these projects and some basic assessment comments that are referred to when presenting the midterm evaluation findings in Chapter 3.

Figure 3: PNG Partnership I and II; Projects Supported

PNG Partnership I			
11 Projects [Listed in order of Project ID]			
Project Name [ID number]	Value (US\$)	Start/End Dates	Status
Interoperable Switch (component of Pacific Payment Systems project) [ID: 585727]	500,000	12/2015 30/06/2022	Implementation
PNG SME Tax [ID: 592867]	1,700,000	16/02/2015 31/12/2019	Closed
Lighting PNG Extension [ID: 594427]	1,500,000	11/2016 30/06/2019	Closed
Pacific Women in Business (WINvest) [ID: 599352]	2,100,000	01/07/2014 31/12/2019	Closed
Pacific Westpac M-Banking [ID: 599825]	300,000	15/02/2014 31/12/2017	Closed
Agriculture PNG [ID: 599409]	427,556	01/07/2013 30/09/2018	Closed
Pacific Renewable Energy Generation (also funded by Pacific Partnership-II) [ID: 600131]	1,500,00	06/2017 31/03/2021	Implementation
PNG Hospital PPP [ID: 602234]	1,000,000	29/06/2018 30/06/2021	Implementation
PNG Tourism [ID: 602271]	1,500,000	01/07/2017 30/06/2020	Closed

business in the Pacific, including PNG, and the need for significant upstream project and business development activities. As agreed, these funds are used at the discretion of IFC to build the partnership pipeline.

Tourism Baseline Study (component of PNG Tourism project) [ID: 602271]	350,000	11/2015 07/2016	Closed
Total project value (Phase 1, US\$)	9,379,056		
PNG Partnership II 10 Projects [Listed in order of Project ID]			
Project Name [ID number]	Value (US\$)	Start/End Dates	Status
PNG SME Competitiveness Project [ID: 601353]	1,500,000	08/01/2019 30/06/2022	Implementation
Capital Markets Development – PNG [ID: 602232]	1,426,000	18/09/2017 30/06/2022	Implementation
PNG Consumer Protection [ID: 602330]	1,525,000	21/05/2018 31/12/2022	Implementation
PNG Gulf [ID: 602912]	280,000	12/2017 12/2018	Closed
PNG Cassava [ID: 603456]	1,100,000	04/02/2020 30/06/2022	Implementation
Kina Bank PNG TA [ID: 603602]	1,200,000	01/11/2018 31/12/2021	Implementation
PNG Affordable Housing PPP [ID: 603069/603897]	150,000	05/04/2018 30/06/2021	Pre-implementation
PNG Remote Grid Independent Power Producer [ID: 603545]	1,600,000	16/04/2019 30/06/2021	Pre-implementation
PNG Markham/Ramu Commercial Agriculture Development Program [ID: 604226]	300,000	23/05/2019 31/12/2020	Pre-implementation
PNG Women’s Technical and Vocational Education and Training (TVET) – Feasibility Study [ID: 604167]	250,000	16/05/2019 30/06/2021	Pre-implementation
Bel Isi PNG [ID: 604313]	270,000	23/07/2019 01/03/2023	Pre-implementation
Total project value (Phase 2, US\$)	9,601,000		

As the figure above shows, seven of the ten projects funded under Phase 1 have been completed.

Among the 11 projects supported in the current phase (i.e., PP-II), one has been completed (i.e., PNG Gulf, 602912), five are in the ‘pre-implementation’ state and the remaining five are being implemented. All uncompleted projects (i.e., those in ‘pre-implementation’ and ‘implementation’) are due to be completed by 30 June 2022, when Phase 2 of the partnership is due to end—except for Bel Isi PNG (604313, due to be completed in March 2023) and PNG Consumer Protection (602330, due to be completed in December 2022). However, as discussed below, there are concerns that a number of these projects will require additional time. This is largely a result of the delays created by the coronavirus (COVID-19) pandemic, although some projects have experienced delays for other reasons. Fuller details are provided in Annex 6.5.

The value of funds committed to projects is US\$18,980,056 (i.e., PP-I US\$9,379,056; PP-II US\$9,601,000).

Of the 21 projects listed in the figure above, four were diagnostic or scoping studies (i.e., PNG Markham/Ramu study (604226), PNG Gulf study (602912), Tourism Baseline Study (602271), and PNG Affordable Housing PPP project (603069/603897).⁴ The PNG Women’s TVET Feasibility Study (604167) was intended to contribute to a new women’s employment project, which is still in the early design stage. The Bel Isi PNG (604313) project has produced an initial research report, which is due for publication this month (i.e., June 2021). A new research phase is now due to commence, leading to a final research report that is due to be published in March 2023.

The figure below shows the distribution of projects by sector.

Figure 4: PNG Partnership I and II; Projects Supported by Sector

Sectors	Number of Projects	Percentage
Agriculture	4	19%
Energy	2	10%
Finance	5	23%
Public-private partnerships (PPP)	3 (1 Energy; 1 Health; 1 Housing)	14%
Small and medium-sized enterprises (SMEs)	2	10%
Tourism	2	10%
Gender	3	14%
Total	21	100%

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 business environment 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.

2. Midterm Evaluation

2.1 Evaluation objective

The objective of the evaluation is to assess the partnership’s overall progress towards promoting private sector development (PSD) in PNG (i.e., improving livelihoods and reducing poverty through the development of the private sector). The midterm evaluation covers activities undertaken from March 2015 through to December 2020. As of December 2020, the partnership had 13 active advisory projects. A further eight advisory projects were completed during the period under review. In addition, the midterm evaluation assessed the ongoing relevance of active projects given the impact of the coronavirus (COVID-19) pandemic.⁵

It is anticipated that recommendations from the midterm evaluation will inform a stock-take of initial lessons emanating from the PNG Partnership and future programming decisions relating to its next phase at the conclusion of June 2022.

⁴ The PNG Affordable Housing PPP project (603069/603897) was reconfigured as a diagnostic/scoping study after the project commenced.

⁵ World Health Organization indicates [the outbreak of the severe acute respiratory syndrome coronavirus 2 \(SARS-CoV-2\) is responsible for the coronavirus disease \(COVID-19\)](#).

2.2 Evaluation Questions

The evaluation provides an independent assessment of the following questions:

- How well is the PNG Partnership as a whole tracking towards achievement of the objectives of DFAT, MFAT and IFC as set out in the related agreements?
- How well is each PNG Partnership project tracking towards expected outcomes and impacts?
- How has the COVID-19 crisis impacted the ability of projects to achieve their objectives through to December 2020 and are there any considerations or recommendations for projects to progress or pivot their objectives as a result of the COVID-19 context?
- What are the potential challenges and opportunities relevant to the implementation of the Partnership going forward?
- How effectively is the IFC's ongoing monitoring and tracking of projects and use of financial resources?
- Are there areas where implementation of the PNG Partnership could be improved?

2.3 Approach and methodology

The midterm evaluation has examined the overall management of the PNG Partnership and its portfolio of completed and current projects. A mixed methodology was applied to evaluate the PNG partnership, incorporating quantitative and qualitative measures.

This began with a desk review in which a wide range of PNG Partnership and project documents (see Annex 6.3). This included the program documents, progress and annual reports, and partnership agreements, project concept notes, Implementation Plans, Supervision Reports, Project Completion Reports, and any other relevant documentation.

Following the desk review, stakeholder and beneficiary consultations were undertaken. Because the midterm evaluation was conducted during the COVID-19 pandemic, stakeholder and beneficiary consultations were organised around limited physical and virtual meetings and, in the case of beneficiaries, limited use of questionnaires administered by intermediaries.⁶ The evaluator was unable to travel to PNG due to COVID-19 restrictions. Three kinds of stakeholder consultations were undertaken. The first concerned those who are directly involved in the PNG Partnership and its projects within the IFC and associated bodies. The second were with IFC clients or project partners. The third were other organisations less directly connected to the projects, but with an understanding of PSD in PNG (e.g., Asia Development Bank's Private Sector Development Initiative, which is jointly funded by DFAT and MFAT and the DFAT-funded Market Development Facility).

In total, more than 74 stakeholders were consulted—29 IFC staff, 37 project partners (also known as 'IFC Clients') and eight representatives from other development agencies. In addition, representatives from DFAT and MFAT were interviewed, and 22 project beneficiaries were surveyed (i.e., ten from the Agriculture PNG project [599409], nine from the PNG Cassava project [603456], and one each from the Pacific WINvest [599352], Lighting Extension [594427] and Capital Markets Development [602232] projects). Of the 22 project beneficiary respondents, ten were female and 12 were male. A list of all stakeholders interviewed can be found in Annex 6.4.

⁶ Because of the reliance on intermediaries, the selection of beneficiaries was in the hands of the IFC PNG and the intermediaries themselves. This process did not endeavour to produce quantitative data. Instead, the data provided by beneficiaries provided a general sense of the value of the project to beneficiaries and may be used to validate the information provided by stakeholders and through the review of documents.

Evaluation criteria

The midterm evaluation applied an evaluation matrix based on Organization for Economic Cooperation (OECD) Donor Assistance Committee (DAC) *Principles for Evaluation of Development Assistance*.⁷ Originally adopted in 1991, an updated version of the OECD DAC criteria was adopted in 2019 based on lessons learned and experiences.⁸ Where relevant, this matrix has also incorporated elements of the Donor Committee for Enterprise Development (DCED) *Standard for Measuring Results in Private Sector Development*.⁹ The figure below provides a summary of the evaluation criteria. Note that the Impact and Sustainability criteria is not applied to diagnostic or scoping studies.

Figure 5: DAC Evaluation Criteria

Relevance: is the intervention doing the right things?

This considers the extent to which the intervention objectives and design respond to beneficiaries', global, country, and partner or institution needs, policies and priorities, and continue to do so if circumstances change.

Effectiveness: is the intervention achieving its objectives?

This examines the extent to which the intervention achieved, or is expected to achieve, its objectives and its results, including any differential results across groups. This analysis involves taking account of the relative importance of the objectives or results.

Efficiency: how well are resources being used?

This considers the extent to which the intervention delivers, or is likely to deliver, results in an economic and timely way. An 'economic' way refers to the conversion of inputs (i.e., funds, expertise, natural resources, time, etc.) into outputs, outcomes and impacts, in the most cost-effective way possible, as compared to feasible alternatives in the context. A 'timely' references the intended timeframe, or a timeframe reasonably adjusted to the demands of the evolving context.

Impact: what difference does the intervention make?

This considers whether the intervention has generated or is expected to generate significant positive or negative, intended or unintended, higher-level effects. This addresses the ultimate significance and potentially transformative effects of the intervention. Beyond the immediate results, impact seeks to capture the indirect, secondary and potential consequences of the intervention, by considering the holistic and enduring changes in systems or norms, and potential effects on people's well-being, human rights, gender equality, and the environment.

Sustainability: will the benefits last?

This considers the extent to which the net benefits of the intervention continue or are likely to continue beyond the life of the project. It includes an examination of the financial, economic, social, environmental, and institutional capacities of the systems needed to sustain net benefits over time.

SOURCE: OECD-DAC (2019) [Better Criteria for Better Evaluation; Revised Evaluation Criteria Definitions and Principles for Use](#), OECD/DAC Network on Development Evaluation, OECD Paris.

The evaluation matrix developed and applied for the midterm evaluation is contained in Annex 6.2. The following chapter presents the evaluation findings based on the answers to the questions asked in the evaluation matrix.

⁷ OECD-DAC (1991) [Principles for Evaluation of Development Assistance](#), OECD, Paris.

⁸ OECD-DAC (2019) [Better Criteria for Better Evaluation; Revised Evaluation Criteria Definitions and Principles for Use](#), OECD/DAC Network on Development Evaluation, OECD Paris.

⁹ DCED (2017) [The DCED Standard for Measuring Results in Private Sector Development](#), Donor Committee for Enterprise Development, Cambridge.

3. Midterm Evaluation Findings

This chapter presents the findings of the evaluation based on the assessment of the 21 funded-projects and the project portfolio in totality. 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 6.2.

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

Figure 6: Evaluation of PNG Projects by Sector Using OECD-DAC Criteria (PNG Partnership I and II)

SECTOR	PROJECT	OECD-DAC CRITERIA				
		[1] RELE	[2] EFFECT	[3] EFFIC	[4] IMP	[5] SUST
Agriculture	Agriculture PNG (Phase I)	L	L	L	L	M
Agriculture	PNG Gulf (Phase II)*	H	H	M	N/A	N/A
Agriculture	PNG Cassava (Phase II)	M	M	M	M	L
Agriculture	PNG Markham (Phase II)*	H	H	M	N/A	N/A
Energy	Lighting PNG Extension (Phase I)	H	H	H	H	H
Energy	Pacific Renewable Energy Generation (Phase I)	H	H	H	H	M
Finance	Interoperable Switch (Phase I)	H	H	H	H	H
Finance	Pacific Westpac M-Banking (Phase I)	H	H	H	H	H
Finance	Capital Markets Development (Phase II)	H	H	H	H	H
Finance	PNG Consumer Protection (Phase II)	H	H	H	H	H
Finance	Kina Bank PNG TA (Phase II)	H	H	H	H	H
PPP (Health)	PNG Hospital PPP (Phase I)*	M	M	L	N/A	N/A
PPP (Housing)	PNG Affordable Housing PPP (Phase II)	M	M	L	N/A	N/A
PPP (Energy)	PNG Remote Grid IPP (Phase II)	H	M	M	L	L
SME	PNG SME Tax (Phase I)	H	M	M	L	M
SME	PNG SME Competitiveness Project (Phase II)	M	M	M	M	M
Tourism	PNG Tourism (Phase I)	H	H	H	M	M
Tourism	Tourism Baseline Study (Phase I)*	H	H	H	N/A	N/A
Women	Pacific WINvest (Phase I)	H	H	H	H	H
Women	PNG Women's TVET (Phase II)*	H	M	H	N/A	N/A
Women	Bel Isi PNG (Phase II)*	H	M	M	N/A	N/A

SOURCE: See Annex 6.5. NOTE: OECD-DAC Evaluation Criteria was applied to Partnership projects using a 'high', 'medium' or 'low' score, which was based on the midterm evaluation's assessment of these projects as they currently stand. For projects that are still being implemented or in the 'pre-implementation' stage, the midterm evaluation scored the project based on its current trajectory (i.e., its likelihood within each of the assessed criteria). 1 = Relevance; 2 = Effectiveness; 3 = Efficiency; 4 = Impact; 5 = Sustainability.

NOTE: *Impact and Sustainability criteria are not applied to diagnostic or scoping studies. Thus, are marked as non-applicable (N/A).

3.1 Relevance

Alignment of projects

The partnership has sought to ensure its supported projects are relevant to and 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 World Bank Group (WBG) PNG Country Partnership Framework (CPF) that became operational in July 2019.¹⁰ This is aligned to IFC's PNG Country Strategy, which describes how IFC can increase its involvement with the private sector in PNG projecting potential private investment outcomes based on policy reforms that also inform WBG development policy operations. The CPF was developed after consultations with government, civil society organisations and the public in PNG and is aligned with Papua New Guinea's *Medium-Term Development Plan for 2018–22* (MTDP III), as well as Vision 2050 and the *PNG Development Strategic Plan 2010–2030*. The most recent Progress Report (July 2020 to December 2020) indicates that the partnership aligns with the [Australia-PNG Economic Partnership](#) (which is due to commence in January 2022), [PNG-Australia Comprehensive Strategic and Economic Partnership](#) (signed by the PNG and Australian Governments in August 2020) and New Zealand's PNG Development Cooperation Priorities.¹¹ Thus, rather than develop a separate PSD 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.¹²

The main mechanism for achieving alignment between the priorities, policies and strategies of IFC, Australia, and New Zealand is through the agreement signed by all parties. The PNG Partnership Steering Committee, which meets formally every six months, is comprised of representatives of DFAT, MFAT and IFC.

All project proposals are submitted to the Steering Committee as Project Initiative Notes for approval.¹³ 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

¹⁰ 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.

¹¹ For further information on New Zealand's see [Our Development Cooperation with Papua New Guinea \(2018-2021\)](#).

¹² 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.

¹³ 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.

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 as well as on the performance of funded projects. Thus, the Steering Committee provides an important opportunity for DFAT, MFAT and IFC to discuss and ensure alignment of the partnership.

In January 2021, a document entitled *Future Directions; IFC and PNG Partnership*, was circulated. This document highlights challenges created by the COVID-19 pandemic and the need to get ‘PNG’s development back on track’, suggesting this ‘will require a sustained effort to develop bankable investment opportunities, support firms to build capacity to grow, improve legal and regulatory frameworks, and invest in quality infrastructure.’¹⁴ Reference was made to the IFC’s *PNG Country Strategy FY21-23* which includes (1) support for economic diversification and job creation with a particular focus on agriculture and financial inclusion; and (2) crowding in private sector to support service delivery with a particular focus on sustainable infrastructure; affordable housing and health. Gender would remain a crosscutting theme, while the IFC would continue to support PPPs which are considered critical to mobilizing the private sector and lessening the burden on public finances, further stretched by COVID-19.

Relevance to PNG country context

The relevance criterion in the above figure (i.e., Figure 6, Column 1) shows the extent to which supported projects were considered relevant to priorities, policies and strategies of IFC, Australia and New Zealand, and aligned to national development frameworks and priorities. As shown, many projects were found to be relevant. Indeed, in those cases where projects scored less (i.e., medium or low) the concern was largely 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 in these areas were relevant to partners and beneficiaries. These concerns typically arose in projects in the agricultural sector as well as in business environment reform and PPP projects.

The demand for development of the agriculture sector—including increased private investment into agriculture, the development of agribusinesses and the creation of viable, commercial agricultural markets—is clear. This is a topic that aligns closely with the Government of PNG, as well as the priorities of Australia, New Zealand and the IFC. However, the concern some agriculture projects is with the extent to which the projects responded to beneficiary and partner needs and capacities. For example, the PNG Agriculture project (599409) was found to have not been aligned ‘with the political and economic conditions at the time’. The government was described as being more focused on natural resource businesses than on agriculture. Moreover, the project did not exploit synergies with the World Bank’s work supporting coffee and cocoa farmers and there was a general lack of private investor interest, which was exacerbated by a difficult business environment and low productivity of farms that did not require an increase in capacities (Project Completion Report).

Similarly, while the focus on PPP is justified on the basis of PPPs providing a much-needed mechanism for mobilizing the private sector and lessening the burden on public finances, the scope and challenges these projects face within the PNG context were less apparent in their justification and design. While the IFC has considerable experience globally and regionally in supporting PPPs. Indeed, PPPs are relevant to PNG. However, it is not clear they can be achieved within the timeframe established by the PNG Partnership.¹⁵ Indeed, a long-term approach to PPPs is required and while DFAT and MFAT are long-term development partners in PNG, the PNG Partnership has a far shorter timeframe. This

¹⁴ IFC (2021) *Future Directions; IFC and PNG Partnership*, memo, January.

¹⁵ 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.

raises the question as to whether the PNG Partnership is an appropriate mechanism for supporting PPPs or whether a different modality is required that allows for a longer period of time.¹⁶

Appropriate to resources

The partnership has formulated a collection of projects that respond to priority needs and are largely suitable to its resources and capacities. It is focused on working with the private sector to achieve its seven goals and has applied a proven and appropriate set of instruments for this purpose. 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.

In general, these resources are well suited to the kinds of projects supported by the partnership. However, there is some concern that not all projects are performing equally well across the selected sectors. This may suggest that the current suite of available resources is not completely adequate. For instance, where partnership projects in the finance and energy sector have performed well, the same is not true for projects in agriculture.

Criteria for project selection

The seven goals defined in PP-I—along with the specific themes identified in PP-II—have been used to guide the selection of projects, which have also been justified using Project Initiative Notes based on identified market failures and development problems that the project is 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 been leveraged to create larger 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.

Theory of change

There is no PNG Partnership-wide theory of change. The Project Initiative Notes present the justification for the 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*.¹⁷ 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 CPF presents a relevant framework for projects to base a theory of change on. This accommodates for a wide range of project 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.

¹⁶ The Australia-PNG Economic Development Partnership (2022-2029) references the work of the IFC and ADB (PSDI) on PPPs.

¹⁷ World Bank Group (2018) [Systematic Country Diagnostic: The Independent State of Papua New Guinea](#), World Bank, Washington, DC

It is noted that the Asia Development Bank (ADB) Private Sector Development Initiative (PSDI) has a theory of change to guide its work in PNG.¹⁸

Adjusting project support amid COVID-19

All projects reviewed were designed and approved before the emergence of the COVID-19 pandemic in PNG. COVID-19 has affected the operation of all projects in either the ‘pre-implementation’ or ‘implementation’ stage, including those that are mostly completed, pending the production of a Project Completion Report. As a result, all operational projects have been required to make changes to their modalities and, often, this has affected project timeframes and milestones (i.e., timebound deliverables). Some projects have been required to postpone public consultations and rely on IFC technical advice being provided online (e.g., PNG Consumer Protection, 602330). Others have been so severely hit by the effects of COVID-19 and related policy changes that they have been required to reconfigure and determine what is possible in the remaining time (e.g., PNG Cassava, 603456 and PNG Affordable Housing PPP, 603069/603897).¹⁹

Gender analysis

There are several issues related to gender that emerge from the midterm evaluation. These issues span the mainstreaming of gender issues across the partnership and its projects, as well as the development of projects that specifically focus on women’s economic empowerment (i.e., projects concerned with female owned and managed enterprises and women’s employment). Three projects have been identified above as being specifically concerned with an aspect of women’s economic empowerment in PNG (i.e., Pacific WINvest, 599352; PNG Women’s 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). The IFC employs a system of ‘gender flags’ to identify those projects with specific relevance to gender.²⁰

A number of other projects cite concerns related to gender and the disadvantages experienced by women but do little to capture this in their results. Thus, while a gender analysis is used to justify the project, there little reporting on this topic as the project is implemented and monitored. For example, the Interoperable Switch project (585727) does not flag gender, but clearly suggests women ‘will be key beneficiaries of more robust and secure payment systems’ (Implementation Plan, p. 3). While the project identifies a target of 87 women to participate in workshops and training events, there is no element of the project design that suggests how women will benefit beyond the benefits that men will also receive. It appears to be assumed that a more robust and secure payment system will be all that is needed to address the problems women face. While it is understood that not all projects can or will be able to deal directly with the problems experienced by women in financial services, the use of these concerns to justify a project should flow through into design and reporting to show how the project has benefited women. Should this outcome be too far removed to attribute to the project, then care should be taken to not justify the project on this basis.

¹⁸ See 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, Annex 1: Design and Monitoring Framework.

¹⁹ It is noted that the Affordable Housing PPP project (603069/603897) was designed as a scoping project only and would only consider further support once suitable land was made available.

²⁰ 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.

The SME Competitiveness project (601353) was assigned a gender flag, but no reference is made to how this will be pursued.²¹ The SME Tax project's (592867) Concept Note (for internal use only) states that all analysis will consider women in business, but a gender flag is not assigned.²² The results matrix includes an output indicator concerning the number of female participants in workshops and training events, but there are no outcome or impact indicators related to women.

It is noted that the Gulf Province Transport Route Prefeasibility Study (604226) included a gender dimension, assessing the 'potential social and economic opportunities for women (and existing constraints) to participate in both agriculture and other supply chain small and medium-sized enterprises (SMEs).'²³ However, in another partnership-supported study, the draft report on the Markham/Ramu Agricultural Growth Corridor, while noting the gender-based violence and the problems of women, remains silent on how to address these issues.²⁴ Here, again, the internal Concept Note proposes the inclusion of a 'gender angle... considering that most of the beneficiaries of the new route will be women', yet no findings on this are presented.

The PNG Cassava project (603456) Project Initiative Note says that 'gender inequality remains a significant development challenge in PNG' and that 'violence against women remains alarming and unacceptably high.' Similarly, the Implementation Plan notes that women 'play a significant role in crop production but are rarely trained and have an unequal minority share in decision making.' While the project does establish an outcome target of 150 female farmers—out of a total of 450 farmers supported in order 'to reduce the gender gap in this agribusiness supply chain'—there is no analysis of how the dynamic of gender inequality is addressed by the project. Is a one-third target too ambitious or not ambitious enough? No data on the proportion of women who currently farm is presented, and it is difficult to understand how this project would address violence against women or the role of women in decision making.

In contrast, the Pacific Westpac M-Banking project (599825) also used women's access to financial services as a justification and did not assign a gender flag.²⁵ However, in this case, gender was used as a basis for a diagnostic and gender-based outcome targets were set. Indeed, consultations with Westpac discovered that while the bank felt it was being distracted from its core business to provide data on the gender, upon reflection, this had proved to be very valuable to the bank.

3.2 Effectiveness

Focus on high-level goals

Overall, Partnership projects have been very well managed with inputs and activities are well formulated and coordinated. Projects have benefited from the IFC extensive experience in project management and relied on IFC systems and procedures. Once a Project Initiative Note is approved, a project Implementation Plan is prepared. This establishes a clear results chain that connects inputs, activities, outputs, outcomes and impacts. A monitoring framework is established with clear, quantifiable metrics and targets. Implementation Plans also identify a range of project risks and present risk mitigation strategies.

²¹ The internal Concept Note for this project assigned a ten per cent focus on gender.

²² The internal Concept Note for this project assigned a ten per cent focus on gender.

²³ IFC (2018) *New Gulf Province Transport Route; Prefeasibility Study*, IFC, Washington DC.

²⁴ IFC (2021) *Markham/Ramu Agricultural Growth Corridor; A possible path of transformational agricultural development*, draft version, IFC, Washington DC.

²⁵ This project assigned a 50 per cent focus on gender.

Leveraging IFC resources and experiences

One of the major strengths of the IFC in implementing partnership projects is displayed through its ability to bring in high-quality expertise. Many of the project partners commended the IFC for the quality of the advice provided. In general, experts and advisers were highly competent in their field, well briefed on what was required of them and, mostly, sufficiently familiar with the challenges of the PNG context.

Achievement of outcomes

Outcomes are clearly identified in the project Implementation Plans and Supervision Reports. Project Closure Reports specifically report on the achievement of outputs, outcomes and development results. This reporting appears rigorous but remains a largely internal IFC process. IFC also reports to the Steering Committee on the achievement of outcomes through six-monthly progress and annual reports, which includes details on projects that have closed during the most recent reporting period.

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

Contribution towards changing behaviour or performance of IFC clients and beneficiaries

There are a number of 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. The five projects in the finance sector have been particularly good in this regard. Elsewhere, the Lighting PNG Extension project (594427) and the Pacific WINvest project (599352) show substantial uptake by the private sector, which will continue to affect the performance of these markets. There are several projects in their earlier stages that offer some promise in this regard, but there are also challenges. For example, the Tourism project (602271) performed well and offers the scope to shift markets and improve the performance of businesses, many of which are in remote communities and run by women. However, the COVID-19 has undermined this market and it is very unclear how quick tourism markets will recover.

There are also a number of studies supported by the partnership that present varying opportunities for creating changes in markets or business performance. The most relevant study or diagnostic-scoping studies are those that are closely connected to a possible market intervention. For example, the Tourism Baseline Study (602271), the PNG Women's TVET Feasibility Study (604167) and the Bel Isi PNG study (604313) appear most likely to contribute to a change in markets or business performance. However, in contrast, the PNG Affordable Housing PPP project (603069/603897), the PNG Gulf study (602912) and the PNG Markham study (604226) appear less connected to a process of project design and are at risk of being isolated studies of general interest that may not be applied.²⁶

Unintended consequences

The IFC's main mechanism for identifying and monitoring unintended outcomes is through the use of Supervision Reports and Project Completion Reports. While these reporting formats do not specifically require authors to identify any unintended outcomes, they provide a general opportunity for this.

Various project reports have identified the positive and negative unintended outcomes. For example, the Project Competition Report for the Pacific WINvest project (599352) indicated that a 'number of

²⁶ It is understood that the PNG Markham study (604226) was intended to contribute to the Ramu Commercial Agriculture Development Program. However, this process is unclear beyond a purpose of securing support from private sector stakeholders (Concept Note).

unintended positive achievements are undoubtedly showing client's strong buy-in and adoption beyond direct beneficiaries' (p. 17).

Results measurement system

All partnership projects benefit from the IFC's experience in project management and alignment with 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 effectively monitoring PSD programs and described efforts to apply the *DCED Standard for Measuring Results in Private Sector Development*.²⁷ They are also aware of the challenges of gender mainstreaming and the formulation, use and synthesis of gender-indicators. It is understood that the Results Measurement Team is in the process of formulating a set of standard indicators.

The IFC's results monitoring work is also periodically overseen by the WBG's Independent Evaluation Group, which has the capacity to select projects for a deeper, independent assessment. However, to-date, only one partnership project (i.e., Lighting PNG Extension Project, 594427) has been selected for an external or independent evaluation.

While the results measurement system applied to partnership projects is robust and tailored to the project strategy and management decisions, there would be value in investing in the independent evaluation of a selection of projects. Indeed, the PNG Tourism project (602271) and the Pacific WINvest project (599352) are worthy candidates for such an evaluation. This would help to independently audit the results of these projects, while identifying lessons learned and best practices that could be disseminated across PNG and the Pacific.²⁸ Indeed, there could be value in expanding the use of independent evaluations for a random selection of partnership projects. This would strengthen the verification of positive and negative, intended and unintended project results. However, COVID-19 is likely to make such evaluations difficult to organise in the coming two years. See Recommendation 4.

Gender monitoring

The results measurement system does differentiate by gender, and these are suitably applied. However, as discussed above, there are broader concerns regarding gender mainstreaming, project design and results measurement.

COVID-19 and results measurement system

COVID-19 appears to have affected results measurement by delaying the implementation of projects and, as a result, the capturing of monitoring data and, in some cases, the closure of projects. However, by and large, the IFC have been able to continue to work with project partners to effectively deal with this challenge.

²⁷ DCED (2017) [The DCED Standard for Measuring Results in Private Sector Development](#), Donor Committee for Enterprise Development, Cambridge.

²⁸ While Project Closure Reports include results and lessons learned, a public independent evaluation would strengthen the verification of these and provide a stronger evidence base for promoting these lessons and best practices in future PNG and Pacific projects.

3.3 Efficiency

Efficient use of partnership resources

Partnership resources (i.e., funds, staffing, organizational capacities) are well coordinated and managed across the partnership. These are carefully directed towards achieving the partnership objectives and high-level goals. Projects have relied heavily on external advisers who have flown into PNG or, in the last 12 months, provide advice online or by email or telephone.

Risk management

The risk and risk mitigation practices presented in the project implementation plan are well formulated and appear to represent a realistic assessment of the situation in PNG. These are revised through Project Supervision reports.

Governance structures

The partnership governance structures are well suited to the partnership program overall. The Steering Committee provides an important mechanism through which partners can updated 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 the IFC to the Steering Committee provide a succinct overview of the progress of partnership projects, identifying any emerging risks or issues of concern.

Value for money

Value for money is achieved through the partnership in a number of ways.²⁹ First, by focusing on private sector partners, including private investors, the partnership endeavours to leverage funds beyond those provided by the project towards the desired development impact. To this end, 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 outcomes and impact of the project are more likely to be sustained over time. Thus, not only are more resources leveraged towards the project and its impact, but the projects' results are also more likely to be sustained over time. Third, the partnership makes full use of 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, as discussed elsewhere, some concerns regarding the bureaucratic burden on

²⁹ 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 (2021) [Aid 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.

projects and partners, the partnership gains enormous value from this arrangement. The partnership makes full use of the IFC's project management and monitoring systems. This includes the tracking of project costs and the production of project outputs, outcomes and results.

At a project level, there is no clear tracking of value for money. Value for money assessments are not included in the Project Closure Reports, although consideration is given to cost-benefit ratios when considering efficiency.³⁰

Efficiency of the COVID-19 response

As the COVID-19 pandemic took hold, a virtual Steering Committee meeting held in June 2020 outlined a number of responses taken by IFC. This included a response to immediate concerns, actions toward the recovery period in terms of economic support and longer-term consideration related to resilience. While a number of immediate actions were taken in response to the pandemic, the IFC described its role as being 'more around the midterm recovery period and then overtime the resilience area'. The IFC and its Australian and New Zealand partners are to be forgiven for a somewhat optimistic view in which COVID-19 was considered to be a short-lived, if dramatic, event.³¹ 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.³²

During the November 2020 Steering Committee, which was also a virtual event, IFC reported it was continuing to track the impact of COVID-19 on the portfolio and, in most cases, had been able to manage this successfully. One exception to this was the PNG Cassava project (603456), which was required to be reconfigured due to the SP Brewery decision to sell the recently constructed factory or find an investment partner. IFC also indicated that core areas of focus in the wake of COVID-19 would be financial inclusion, agriculture, gender, and infrastructure (i.e., renewable energy, climate finance and energy efficiency financing). However, this do not seem very different than those agreed to at the commencement of PP-II.

When dealing with the immediate challenges of COVID-19, IFC described its 'fly-in-fly-out-model', which it said would 'put greater emphasis on leveraging local expertise.' Where skills gaps emerged among projects, it would focus on helping local staff learn on the job. Digital technologies would also be employed, including a move to virtual appraisals. IFC also undertook webinars and would explore the use of a 'virtual meeting room' that will increase cost and operational efficiencies.³³ However, as the midterm evaluation has shown, while digital solutions can be used to replace physical interactions,

³⁰ However, there are instances where value for money is raised. For example, the Project Closure Report for the PNG SME Tax project (592867) 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).

³¹ In July 2020, the WBG suggested the PNG economy would rebound quickly in 2021 with a project three per cent growth (see [Papua New Guinea in the Time of COVID-19 – From Relief to Recovery](#), 10 July 2020, visited 15 May 2021). However, in 2021, PNG experienced extremely high levels of COVID-19. On 14 May 2021, the Director-General of the World Health Organization indicated that 'COVID-19 has already cost more than 3.3 million lives and we're on track for the second year of this pandemic to be far more deadly than the first.' See: [Director-General's opening remarks at the media briefing on COVID-19 – 14 May 2021](#), World Health Organization website, viewed 16 May 2021.

³² 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.

³³ Steering Committee Meeting of the Australia-New Zealand-IFC PNG Partnership, Thursday, 12 November 2020, virtual meeting via Webex; Minutes of Meeting.

there are also limitations to how effectively these solutions can be employed in PNG where connectivity and access to information and communications technology is not universal.

Reliance on external consultants and advisers

The Partnership program relies heavily on the use of external consultants and advisers to travel into the regions. With some minor exceptions, this stopped with the emergence of the COVID-19 pandemic in PNG. In response, all project team leaders were required to reassess the projects, in consultation with project partners, and consider what changes were required. In general, this has led to a significant increase in the use of online consultation and advisory services. Where possible and relevant, it has also led to the engagement of more local staff, consultants and service providers.

Gender-responsiveness

As a crosscutting theme, gender is highlighted in many projects. This reflects a clear attempt to ensure the partnership projects are designed, managed and monitored in a gender sensitive way. The IFC is to be commended for its efforts in this. The major challenge regarding the way gender concerns are identified and used to justify projects, without a clear follow-on in terms of monitoring and reporting remains, as discussed above.

Donor coordination

Very little attention appears to have been given to ensuring coordination among the donor and development agencies working in PSD in PNG. Indeed, the lack of effective coordination was raised by other development organisations working in PNG on PSD as well as by a number of project partners. Overall, there was a lack of information exchange and poor coordination or alignment of programs across the relevant agencies (e.g., IFC, ADB, DFAT, MFAT, Japan International Cooperation Agency, European Union). It is noted that the Project Initiative Notes presented to the Steering Committee provide information on the stakeholders, donors and development agencies that have been consulted in the formulation of the project. However, there were strong concerns raised regarding competition among agencies. This meant that project partners would be receiving representatives from various agencies in which the same or similar projects were discussed, with very little attention given how these agencies could work together more effectively.

This problem was also raised by members of the partnership Steering Committee. Indeed, it is interesting to note that coordination complaints concerned agencies and programs that are also financially supported by either the Australian or New Zealand governments or both (e.g., ADB-PSDI, Market Development Facility). However, beyond these agencies, and at a national level, there is no mechanism for the coordination of donor-supported PSD.³⁴

The concerns regarding the lack of coordination ranged from a general observation by agencies and partners regarding poor levels of communication and information sharing, to very pointed concerns regarding the misuse of shared information. While there have been interagency meetings held, there were complaints that not all agencies were prepared to share information regarding current and planned projects and programs. This has created a situation in which there is distrust among agencies and a general relationship described as competitive rather than collaborative. Bemused partners described how this situation allowed them to trade across donor interests (e.g., if it is too difficult to work with Agency X, we know Agency Y will help us).

There is no easy answer to the problem of poor donor coordination. While coordination mechanisms can help, they do not always work and, often, effective coordination is a result of individuals who are

³⁴ It is noted that that forthcoming the [Australia-PNG Economic Partnership](#) seeks to ensure that Australian aid is 'coordinated and coherent' (p. 2).

open and prepared to pay the high transaction cost associated with information sharing and inter-agency collaboration. However, the cost of poor coordination should not be overlooked. All partnership members suffer reputational loss because of poor coordination, and it is clear that the efficiencies of donor programming are significantly reduced. The PNG Partnership donor partners (i.e., DFAT and MFAT) are well positioned to catalyse improved information sharing. See Recommendation 2 in Chapter 4.

3.4 Impact

Impact of partnership projects

The figure at the beginning of this chapter, Figure 6, presents data on partnership projects using the OECD-DAC Criteria and reveals that some sectors have performed better than others. While finance and energy have performed relatively well, as has the single main project on tourism, there are clearly challenges related to agriculture and PPP.

While agriculture is a strategically important sector in PNG, it also contains significant barriers and constraints. These include market constraints as well as severe challenges created by poor infrastructure and difficult physical terrain. A particularly important constraint is the limited number of middle-to-large lead firms that the IFC can partner with to support private investments that drive growth in these markets. While the number of market actors in finance and energy are fewer, they are also better organised, better regulated and in a better position to absorb the technical assistance provided by the partnership. In contrast, there are many more market actors in the agriculture sector, often differentiated by varying commodity markets and localities within the sector; some have an opaque background, which would not pass the due diligence assessments required of the IFC or the Australian and New Zealand governments. This makes it very difficult to find the right private sector partners in the agriculture sector. In some cases, the IFC has a limited range of tools it can apply to support such under-developed partners. This is often described as the challenge of ‘upstream’ development work.³⁵ While the IFC often focuses on ‘upstream’ investments (i.e., investing in businesses that other investors find too risky), many of the potential agricultural partners are too upstream even for the IFC.³⁶ As a result, the impact of the partnership’s work in agriculture has been poor. While more time might allow for partnerships to grow and strengthen, this would indeed require more time and a higher intensity of effort.³⁷ Moreover, there are other facilities that appear more suited to the work in PNG agricultural value chains, such as the DFAT-funded Market Development Facility (MDF). Unlike the IFC, the MDF can provide grant funds to support emerging market leaders, along with tailored technical assistance and capacity building. The MDF is also able to respond more quickly to emerging opportunities. While it is recognised that the MDF is unable to bring a sufficient volume of resources to projects to allow them to reach scale, they can work with nascent smaller

³⁵ For example, see: Faye, I. and L. Tran (2021) ‘[Promoting Impact by Creating Markets: Management and Measurement](#)’, *EM Compass Note* 100, IFC, Washington DC

³⁶ While this problem is significant in PNG it is by no means unique. For example, IFC’s work with *Kaebauk Investimentu no Finansas* in Timor-Leste—part of a holistic farming-to-financing approach that addresses financing gaps—deployed concessional funds (i.e., blended finance) from the International Development Association Private Sector Window to help develop a sufficient flow of bankable agribusiness financing opportunities to provide more and better financial access to underserved farmers and agribusinesses, including those owned by women. Reference: IFC (2020) [Measuring Up; IFC Annual Report 2020](#), IFC, Washington DC, p. 93.

³⁷ A recent ‘deep dive’ into the PNG Agriculture project shows limited resources allocated to this sector within the IFC: one project leader (Christian Reichel), one short-term consultant (Regina Mali) and one-third administrative client support staff (Lavui Bala). Reference: PNG Partnership (2018) *Deep Dive: Key Elements and Progress of the Redesigned Agribusiness PNG Project*; PowerPoint presentation, April.

organisations that are not at the size or maturity at which IFC can begin to partner with them. These concerns raise the question as to whether the IFC has the right instruments and approach to supporting agriculture markets in PNG. Based on the current Partnership projects, it appears that this is not the case. Thus, it may be necessary to revisit and reassess the role of the Partnership in agricultural markets and to consider, as worthy and strategically important the agriculture sector is, whether the partnership should continue work in this sector.

PPPs also provide a point of reflection for this evaluation. While PPPs are an important mechanism for mobilizing private investment to lessen the burden on public finances, this is not a quick-fix solution. PPPs are a time-consuming process that can encompass a five to eight-year time span. While it may be quicker to initiate a PPP in some markets, this is not likely to be the case in PNG. This is not an argument to abandon support for PPPs; rather it suggests that the partnership consider what its desired outcomes are for PPPs within the life of the Partnership.

Tangible benefits to beneficiaries

This evaluation has been limited in its efforts to capture the views of project beneficiaries, primarily due to the constraints placed upon the evaluator and IFC partners during the COVID-19 pandemic. Thus, the contributions to this evaluation from beneficiaries is limited and skewed toward a small selection of projects.

Some 22 beneficiaries were surveyed. All these respondents rated the support of the project as Important or Extremely Important. A number of comments from beneficiaries (i.e., farmers) from one component of the PNG Agriculture project (599409) were received. These were highly complementary of the project, as was the project partner involved in this component of the project.³⁸ The figure below provides a sample of some of the comments from project beneficiaries of four partnership projects.

Figure 7: Sample of project beneficiaries' comments

What has been the most important feature of the support, services or training provided to you?
<p>The opportunity to develop honest, trusting relationships with the IFC team. We were able to discuss our requirements and request the specific support we needed. Working with such a large organisation can be daunting and impersonal. Through our relationships we developed our confidence and the clarity to be clear about what we could offer through our training courses (Pacific WINvest).</p> <p>Support for co-ordination of industry input, support for legal development of framework, bringing international experience (Capital Markets Development).</p> <p>Financial literacy; Farmers can be supported to improve farming techniques; Change my mindset to operate as a semi-commercial farm (PNG Agriculture).</p> <p>Training. Many who have followed the advice and training provided have seen it to work. The other support that has helped would be banking; To educated women it is not too important but for the mothers in the village it is extremely important. Especially opening bank accounts. They wouldn't have been able to do this themselves. And also providing a better access to market to sell their cassava (PNG Cassava project).</p>
What advice would you give for future projects of this kind? How can support, services or training like this be improved?
<p>When working with women's organisations, commit to developing the relationships with organisations who are delivering services. The program impact will be expanded and enhanced though trust and honesty as donors feel comfortable in requesting assistance when gaps in program delivery are identified. A better outcome can be achieved. The process can be demystified and humanised (Pacific WINvest).</p> <p>Increase financing and liaise more directly with us the implementers or ground distributors, as we deal directly with people in the villages (PNG Lighting Extension).</p> <p>Need improved irrigation; Reconsider pricing per crop according to high cost of transport (PNG Agriculture).</p> <p>One thing would be payment or price. A lot of men and women think that it is too low. In future, a higher price would be better. And too there must be more support of the staff on the ground to do the work. Otherwise, everything is okay. The</p>

³⁸ It is noted that while this project performed poorly overall, the component related to value chain development performed well. The beneficiaries involved in this component reflected this view.

project is good and IFC is doing a good job; Machinery would make it easier for us. If a project like the cassava project happens in future, it must come with a tractor to plough, spray pesticide and harvest. Harvesting is back breaking work. If these things can be provided our work would be greatly improved; If IFC could come and conduct more of such trainings which are simple, and applicable, giving tips on how to run crops/gardens like the one on fertilizers. For that also maybe next time if it can be shown how to make their own fertilizer (PNG Cassava project).

Other comments

Excited about the opportunities for market access and increased production; Market has shifted our mindset as subsistence farmers to semi-commercial farmers; Transport costs are very high (PNG Agriculture).

The project's success was challenged by the political and regulatory environment encountered. There would be a role for exerting stronger pressure on government to take the necessary steps to clear regulatory and bureaucratic barriers to enable delivery and justify IFC commitment to projects (Capital Markets Development).

The work that we had done together is very good but we farmers we have different ways of understanding things. If there are conditions, the lead farmers must be aware of them so that he/she can inform his/her group. The lead farmer can then also lead in planning and looking for ways to strengthen the sustainability of the project; Price of cassava. For me, I live on state land. I've allowed farmers to make their gardens. If the price was good, I'd be able to charge them a small percentage to help cover land rent. Right now, I see that I can't because the price isn't okay (PNG Cassava project).

Measuring beneficiary impacts

Anticipated partnership project impacts are presented in the project results frame, which is initially presented in the Implementation Plan. Thus, project outcomes, which are achieved through the use of project outputs by beneficiaries, and impact results, which are higher level measures of the project's performance.

3.5 Sustainability

Results resilient to identified risks and sustained

Partnership projects have been 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 sustainability of the project.

Despite this, there are two challenges to sustainability experienced by the partnership projects. The first is the emergence of COVID-19, which has been and remains a major disruption to project work plans (i.e., work timeframes for project delivery). While this has affected most projects currently being implemented, including those in the pre-implementation stage, it has the potential to affect the sustainability of certain projects in a more profound way. For example, COVID-19 and the social policy restrictions introduced in response to the pandemic have severely disrupted tourism markets. It remains very unclear as to how quickly these markets will recover. Indeed, it may take three to four years before these markets return to anything resembling their pre-pandemic levels. As a result, the sustainability of the results of the tourism projects are questionable. While projects related to financial markets, SMEs and women are, to varying degrees, more likely to be sustained, if only delayed in achieving their overall result, agricultural markets and energy markets are also affected. PPP projects, complicated and time-consuming in their own right, are also hampered, if for no other reason than COVID-19 occupies the minds of policymakers and potential investors and the effort required to create successful PPP is substantial even in normal times. As important as PPPs are in the context of 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 to sustainability experienced by the partnership projects concerns the overall complexity of many projects, which are required to engage with multiple partners.³⁹ This requires a high amount of coordination and management. With so many partners, it is easy for coordination to falter and for time delays to occur. A number of project partners interviewed for this evaluation indicated they considered the timeframe for projects was too short. Indeed, the overall complexity of dealing with many partners, many of which have vary capacities for the absorption of the advice provided, has often led to delays. Ultimately, these issues can also undermine the sustainability of the project results.

Empowering local partners to deliver

Significant attention is given to building the capacity of local partners to deliver better, more market responsive services and products. Perhaps one of the best examples of this is the Lighting PNG Extension project (594427), which 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. Similarly, the PNG Tourism project (602271) developed new market opportunities and supported new product development for a number of remote, disadvantaged communities. While the impact of COVID-19 has been devastating for the tourism market, this project clearly built the capacity of local partners occupying various positions in the tourism market. Finally, while the project overall struggled, one component of the Agriculture PNG project (599409) supported the development of value chains that spurred the transformation of subsistence farmers to what they described as 'semi-commercial'. These kinds of market development interventions that build local capacity as they open up new market opportunities have high potential within the partnership and offer sound prospects for sustainability. However, as discussed later, this also requires time.

Environmental and social standards

The IFC applies its Environmental and Social Performance Standards to all its advisory projects.⁴⁰ The application of these standards is suitably embedded in a number of the 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 defined as: 'Assessment and Management of Environmental and Social Risks and Impacts'. This flows through into the Supervision Reports and the Project Closure Reports.

Empowering local partners to be gender-responsive

The partnership treats gender as a crosscutting theme and projects are formulated and monitored in a gender-sensitive manner. Many of the project partners interviewed for this evaluation commended the IFC for its work in this regard.

As discussed earlier, there are concerns with the way the IFC addresses gender-based concerns beyond simply identifying gender constraints. While increasing female participation in a project's activities is important, it is often not enough to address the structural and power biases that inhibit women's ability to successfully engage in the economy. Training women to be better, more productive

³⁹ For example, Agriculture PNG project (599409) lists 12 partners (i.e., 4C Association, CARE International PNG, Digicel PNG, Fair Trade ANZ, Farmset Ltd., Monpi Cocoa, Monpi Coffee, NGIP Agmark, Olam, Outspan, and Tininga). Similarly, the Lighting PNG Extension project (594427) lists 11 partners (i.e., Digicel PNG, Greenlight Planet, Interoil Product, Niwa, OmniVoltaic Power, Orb Energy, Origin, Origin Energy, Solar Solutions, dLight, and dLight Design) and PNG Tourism (602271) lists six partners (i.e., Carnival Australia, Egwalau Tours, Intrepid Travel, PNG TPA, Rabaul Discovery Tours, and SSH PNG).

⁴⁰ 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](#).

farmers and managers of agribusinesses is important, but often much more needs to be done to address the structural and power imbalances these women face in the marketplace and society. While it is understood that the IFC adopts a portfolio approach to this issue in which there are projects specifically focused on gender (i.e., gender standalone projects) and those that are not principally focused on gender. However, if a project is justified, in part or in full, based on gender (e.g., woman farmers face power imbalances or women experience greater constraints when accessing financial services), then a clear line of project intervention should be formulated to deal with this problem. This should be followed by reporting that explicitly tracks these issues. Thus, more attention could be given to ensuring gender—and the promotion of women’s economic empowerment more precisely—is embedded into project strategies and reporting.

4. Summary, lessons learnt and conclusions

Based on the findings presented in Chapter 3, the questions raised in the terms of reference for this midterm evaluation are addressed below.

How well is the PNG Partnership as a whole tracking towards achievement of the objectives of DFAT, MFAT and IFC as set out in the related agreements?

The partnership portfolio is tracking toward the achievement of the anticipated goals, in general. However, while there have been some important outcomes achieved by the partnership (see Figure 8, below) the COVID-19 pandemic and other project-specific delays make it difficult to have confidence that all objectives will be achieved in the remaining thirteen months to June 2022. In addition, some US\$8.5 million remains unallocated. This is a significant amount, given the total value of PNG Partnership approved for projects is US\$18.9 million. It represents around 45 per cent of the total value of partnership funds. The two remaining tranches from DFAT and MFAT that are still to be disbursed is approximately US\$2.9 million, while the total committed funding available for projects is approximately US\$11.4 million.

This under-spend is partially a result of a slower than anticipated expenditure rate, due to COVID-19 and other delays, as well as the forward payment of funds by DFAT and MFAT prior to the close of the previous financial years. As a result, it appears that the partnership is rapidly running out of time to achieve the desired objectives and to expend the funds allocated to it by DFAT and MFAT. See Recommendation 1.

How well is each PNG Partnership project tracking towards expected outcomes and impacts?

The figure below presents an overview of the project portfolio to deliver on the goals and targets set under PP-I. Comments regarding the likelihood of these goals and targets to be achieved by the end of the program period (i.e., 30 June 2022) are also provided.

Figure 8: Cumulative results and likelihood of goal achievement (December 2020)

PP-I Goal and Targets		Cumulative Results (to December 2020)	Evaluation Comments
Goal 1	<p>Mobilize US\$250 million in new private sector investment in PNG through IFC interventions.</p> <p>PNG Tourism and Tourism Baseline Study (602271)</p> <p>Pacific Renewable Energy Generation (600131)</p>	US\$172,323 of private sector financing mobilized	This does <u>not appear to be on track</u> to meet the target. While the IFC considers this on track, and the next 12 months will provide opportunity for more investments to flow, this volume of investment is unlikely to flow due to COVID-19 and project delays.

Goal 2	US\$10 million in private sector cost savings achieved through regulatory reforms. PNG SME Tax (592867; now rolled into the PP-II-funded PNG SME Competitiveness, 601353)	No cost savings generated (i.e., US\$0 million)	This <u>does not appear to be on track</u> to meet the target. Regulatory reform projects have not produced anticipated results. The IFC remain hopeful the risk-based, simplified tax regime, implemented in April 2021, will result in 'significant compliance cost savings' (i.e., US\$7,565,162). ⁴¹
Goal 3	30,000 people with improved economic opportunities in PNG productive sectors. PNG Tourism and Tourism Baseline Study (602271) Agriculture PNG (599409)	19,855 people with improved economic opportunities	This <u>does not appear to be on track</u> to meet the target.
Goal 4	5,000 SMEs with improved access to financial services. Pacific Payment Systems (Interoperable Switch, 585727)	No SMEs with increased access to financial services	<u>Uncertain</u> . While the IFC considers this on track, and the financial services reforms supported will lead to increased access in the next 12 months (i.e., to June 2022), COVID-19 and other delays may impede this result.
Goal 5.1	300,000 people experiencing improved access to basic financial services in PNG, of which 50% are women. Pacific Westpac M-Banking (599825) Pacific Payment Systems (Interoperable Switch, 585727)	192,699 people experiencing improved access to basic financial services in PNG	It <u>appears to be on-track</u> to meeting the target by June 2023.
Goal 5.2	150,000 women experiencing improved access to financial services. Pacific Westpac M-Banking (599825) Pacific Payment Systems (Interoperable Switch, 585727)	78,868 women experiencing improved access to basic financial services.	It <u>appears to be on-track</u> to meeting the target by June 2023.
Goal 6	50,000 women with improved economic empowerment. PNG Tourism and Tourism Baseline Study (602271) Pacific WINvest (599352) Agriculture PNG (599409) Pacific Westpac M-Banking (599825)	125,482 women with improved economic empowerment	<u>Achieved</u> . The target has been exceeded.
Goal 7	100,000 with improved access to infrastructure. Pacific Renewable Energy Generation (600131) Lighting PNG Extension (594427)	3,351,372 people receiving access to improved services	<u>Achieved</u> . The target has been exceeded.
SOURCE: PNG Partnership (2021) Progress Report July 2020 to December 2020, IFC, Sydney, p. 13. Own evaluators comments (midterm evaluation 2021).			

The above figure relates to projects in PP-I. The 11 projects funded under PP-II are not included and it will take some time before the results of these projects come fruition and contribute to the partnership goals. Moreover, little development impact is anticipated from these projects in the short-term (i.e., to June 2022). For example, the PNG Affordable Housing PPP project (603069/603897) and

⁴¹ PNG Partnership (2021) Progress Report July 2020 to December 2020, p. 14.

the PNG Remote Grid independent power producer (IPP, 603545) are unlikely to transform into investments that will come to fruition in the next two-to-three years. The PNG Markham study (604226) stands alone as a piece of research that may contribute to a broader project or strategy. However, this will take much more time. The PNG SME Competitiveness Project (601353) may succeed in assisting with biosecurity and improved taxation, but these outcomes are not assured in the next 12 months and the flow on effects towards partnership goals are likely to take some years. The PNG Consumer Protection project (602330), the PNG Women's TVET Feasibility Study (604167) and the Bel Isi PNG project (604313) are all valuable projects, but unlikely to translate into meaningful results that can be presented in the above table in 12 months. The PNG Cassava (603456) is being restructured and unlikely to produce significant results in the coming 12-24 months. The two projects most likely to contribute to partnership goals in the next 12 months are the Capital Markets Development PNG project (602232) and the Kina Bank PNG TA project (603602).

How has the COVID-19 crisis impacted the ability of projects to achieve their objectives through to December 2020 and are there any considerations or recommendations for projects to progress or pivot their objectives as a result of the COVID-19 context?

As described above, the COVID-19 pandemic has been a severe disruption to the partnership's capacity to manage existing projects and identify and formulate new projects. The IFC has responded quickly to this situation and has pivoted towards new operational modalities in this difficult period. However, it is important to stress that this is not likely to be a short-term challenge and the partnership would be wise to consider the implications of these changes in the coming two to three years. While rapid vaccinations may allow IFC staff and external experts to recommence travel, the impact of COVID-19 on market systems is likely to be sustained for some time.

The big-picture consequence of this disruption is the need for more time. Even before COVID-19 hit, it was clear that the complexity and challenge of creating markets and changing business and investor behaviour in PNG takes time. COVID-19 has amplified this problem and while the IFC has responded appropriately by reconfiguring projects where necessary and where possible, shifting to online advice and consultations and relying more on local resources (i.e., staff, consultants, organizations), there is a clear need for more time to allow for the effects of the pandemic to be better understood and to support the recovery and long-term resilience of PNG markets.

What are the potential challenges and opportunities relevant to the implementation of the Partnership going forward?

While the partnership has diligently sought to ensure alignment with the priorities, policies and strategies of IFC, Australia and New Zealand, this is a general framework alignment that would benefit from more granular coherence. Not all sectors and markets in PNG are the same and it is clear that the partnership has worked better in some (e.g., finance) than in others (e.g., agriculture). Thus, there is a need to give more consideration to the appropriateness of IFC tools and resources to these differentiated markets.

In addition, a clearer understanding of these differentiated sectors and markets—based on diagnosis and past partnership experience—could help the partnership to coordinate better with other donor and development agencies supporting PSD in PNG. The challenges of agriculture, tourism and PPPs have already been discussed. However, the case of business environment reform deserves particular attention. As Figure 8 (Goal 2) shows, there has been little progress in reforms that lead to cost savings to the private sector. While it is recognised that the revised tax component of this work, which has led to the design and implementation a new small business tax regime, there are many challenges in this work. These include the myriad of interrelated problems found in the PNG business environment and the absorptive capacity of the government ministries, departments and agencies. In addition, business environment reform is a slow process. The partnership's work in this field requires a careful

evidenced-based strategy that is formulated with government and articulated into a well-designed, elegant reform project.

How effectively is the IFC's ongoing monitoring and tracking of projects and use of financial resources?

The IFC's project monitoring and the management of financial resources is very sound. There are no changes recommended to this in general. The one exception to this concerns the use of gender indicators and the monitoring and management of projects that have been justified on the basis of their ability to address gender challenges. See Recommendation 3.

Are there areas where implementation of the PNG Partnership could be improved?

The next chapter provides recommendations regarding the ongoing work of the partnership, each of which provide guidance for improvement. Beyond these recommendations, the following issues and actions are considered relevant for consideration by the PNG Partnership:

- **Avoid overly complex projects.** While the partnership is rightly focused on achieving significant and important development goals that have an impact on markets and investment decisions, on a number of occasions it has created overly complex projects with many partners, requiring careful timing and precise coordination. The lesson here is to take care to avoid such overly complex projects, and to ensure these are kept within the absorptive capacity of partners and beneficiaries.
- **Allow more time.** Common 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 a clear constraint for a number of 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 to the maximum extent possible. While more time takes, well, more time and cost, it can also contribute to more sustainable project results.
- **Improve timeliness and responsiveness.** Many project partners expressed a concern regarding the slow speed of the IFC 'bureaucracy' in terms of decision making and procurement. While the partnership benefits from the proven and robust management systems of the 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 in a more nimble and flexible manner.
- **Differentiate project strategies.** There are significant differences across the sectors and markets the partnership is operating within. Yet, despite this, the project modalities are remarkably similar. More attention could be given to differentiating project strategies and the tools and resources the partnership can apply to these.
- **More regular 'deep dives.'** While it is understood that monthly 'check-in' meetings have been useful to all members of the partnership, the PNG Partnership Steering Committee should invest in the time for more regular 'deep dive' discussions around the role of the partnership in transforming markets and businesses in specific sectors and markets.
- **Reconsider some engagements.** Project performance has not been consistent across all markets and sectors. The midterm evaluation has cited particular concern regarding the partnership's work in agriculture, business environment reform and PPPs. Some hard decisions need to be made regarding this. While this does not necessarily imply such engagements must be stopped, although in some cases this may be warranted, there is a clear and urgent need to reconsider why, how and to what purpose the partnership should continue in these fields. In many of the most difficult sectors and markets in PNG, the partnership will need to find a new way of working.

5. Recommendations

The following recommendations are presented for consideration by all members of the PNG Partnership.

Recommendation 1: No-cost extension (12 months)

It is recommended that DFAT, MFAT and IFC agree to a no-cost extension to at least 30 June 2023 for the PNG Partnership. This would allow the partnership to respond to the substantial and ongoing delays created by the COVID-19 pandemic and to address the unallocated funding of the partnership budget. However, before agreeing to this extension, the IFC should submit a detailed workplan for the Steering Committee's approval outlining how each of the current partnership projects will be adjusted, where necessary. While this workplan may also outline the options of supporting new projects in the extension period, there would be challenges faced to ensure these are completed by 30 June 2023. Thus, a period of no-cost extension would allow the partnership to take some difficult decisions regarding which sectors and markets to continue in and which to conclude.

Recommendation 2: Strengthen support for donor coordination

It is recommended that DFAT and MFAT—as the donors of the PNG Partnership—consider the ways in which donor coordination in PSD in PNG can be improved. A critical starting point for this should be strategies to improve the sharing of program information with other donors and development agencies working on PSD. This may also involve further engagement with the PNG Government on this topic.

Recommendation 3: Improve the design and monitoring of gender mainstreaming

It is 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. This analysis should also include awareness of other gender interventions in the sector. This should lead to a briefing note that is submitted to the PNG Partnership Steering Committee outlining the practical actions taken to address these concerns within the current project portfolio and advice for future project formulation, management and monitoring within the partnership.

Recommendation 4: Conduct independent project evaluations

It is 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 (or two evaluations by June 2022 should the no-cost extension not be agreed to). This would require the allocation of partnership funds for this purpose. The independent evaluation reports should be made public and disseminated to relevant actors in PNG and the Pacific.

Recommendation 5: Improve longer-term program alignment

It is 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. The emergence of the new Australian-PNG Economic Partnership will be important in this regard. Moreover, the PNG Partnership would benefit from a clearer articulation of its strategy for supporting market development and PSD in the selected sectors and markets, rather than relying on a general set of goals that span all these sectors without differentiating the partnership's approach. A better program alignment would also contribute to improving donor coordination (Recommendation 2), including opportunities for strengthening project-based collaboration with other donor and development agencies. Better program alignment would also be more conducive to more effectively integrating gender as a crosscutting theme (Recommendation 3), while creating more opportunities for stronger synergies across groups of projects. This alignment

would contribute to a broader consideration of the role of the PNG Partnership beyond PP-II (i.e., towards a possible third phase of the partnership).

6. Annexes

6.1 Midterm Evaluation Terms of Reference

A. PROJECT BACKGROUND

In March 2015 a ‘sub-partnership’ of the regional Pacific Partnership between Australia’s Department of Foreign Affairs and Trade (DFAT) and International Finance Corporation (IFC) was created to specifically fund IFC’s advisory activities in PNG through to 30 June 2018. The value of the PNG sub-partnership was A\$20,019,000.

Associated with this sub-partnership was a set of seven goals/themes (detailed below) with indicative numeric targets to guide IFC’s business engagement and project prioritization in PNG.

In May 2017, DFAT PNG and IFC formally agreed to manage the activities for PNG separately from the DFAT-IFC Pacific Partnership and signed an agreement establishing a stand-alone arrangement called the PNG Partnership; rolling in the activities and funding from the existing sub-partnership. This new Partnership also extended the duration of activities through to 30 June 2022 and provided for additional funding of A\$20,000,000.

PARTNERSHIP GOALS	
1.	Mobilize new private sector investment in PNG through IFC interventions
2.	Private sector cost savings achieved through regulatory reforms
3.	Number of people with improved economic opportunities in PNG productive sectors
4.	Number of SMEs with improved access to financial services
5.1	Number of people experiencing improved access to basic financial services (50% women)
5.2	Number of women experiencing improved access to basic financial services
6.	Number of women with improved economic empowerment
7.	Number of people with improved access to infrastructure

Although the same goals/themes would guide project selection, additions to the existing targets for the outer years of the Partnership (FY19 and beyond) would be made as individual project-level activities were agreed.

In June 2017, New Zealand’s Ministry of Foreign Affairs and Trade (MFAT) joined the PNG Partnership with a contribution of NZD2,500,000 for implementation of activities to June 2022; and in June 2019, MFAT increased their contribution by providing an additional NZD10,000,000.

Under the PNG Partnership, New Zealand MFAT funding is co-mingled with the existing funds from DFAT.

B: MID-TERM EVALUATION OBJECTIVES

The mid-term evaluation of the PNG Partnership covers activities undertaken from March 2015 through to December 2020. The objective of the evaluation is to assess the Partnership’s overall progress towards promoting private sector development in PNG (particularly on programs focused on agriculture, tourism, power, financial markets, digital technology, public-private partnerships, and gender); the success and/or progress to date of underlying projects (both active and closed), including an assessment of the ongoing relevance of active projects given the impact of COVID-19. Recommendations from the mid-term evaluation will help inform both a stock-take of initial lessons emanating from the PNG Partnership, and decision-making relating to its next phase at the conclusion of June 2022.

The PNG Partnership is aligned to the development objectives of Australia, New Zealand and IFC, as well as IFC’s PNG strategy and the World Bank Group (WBG) PNG Country Partnership Framework (CPF), which in turn is aligned to the Government of PNG’s Third Medium Term Plan.

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

As of December 2020, the PNG Partnership has 13 active Advisory projects. These projects are in sectors that include renewable energy generation and independent power producer; financial

sector/capital markets development; agriculture; public-private partnerships (PPPs); and women's economic empowerment. An additional 7 Advisory projects were completed during the period under review.

Specifically, central to this mid-term PNG Partnership evaluation is providing an independent assessment of:

- How well the PNG Partnership as a whole is tracking towards achievement of the objectives of DFAT, MFAT and IFC as set out in the related agreements.
- How well each PNG Partnership project is tracking towards expected outcomes and impacts.
- How COVID-19 crisis has impacted the ability of projects to achieve their objectives through December 2020; and any considerations/recommendations for projects to progress/pivot their objectives as a result of the COVID-19 context.
- Potential challenges and opportunities relevant to the implementation of the Partnership going forward.
- IFC's ongoing monitoring and tracking of projects and use of financial resources.
- Areas where implementation of the PNG Partnership could be improved.

The method of investigation will mainly be desk review complemented by in-depth stakeholder consultations with relevant IFC and WB staff, development partners, project/client counterparts and other key stakeholders. The Consultant/Evaluator will undertake in-person consultations with stakeholders in Sydney, with PNG stakeholder consultations to be undertaken via other channels/tools and assisted by in-country support.

The assignment is expected to take up to 30 days, commencing on or around the 15th March 2021, and be completed according to the timeframe below.

C. DELIVERABLES/SPECIFIC OUTPUTS EXPECTED FROM CONSULTANT

- An Inception Report, covering the evaluation objectives, proposed evaluation methodology, evaluation matrix, fieldwork plan to be provided within 10 workdays of the signature of the contract.
- A draft Evaluation Report should be shared with IFC by 19th May 2021. The Evaluation Report will include an executive summary, the evaluation objectives, the methodology, the findings for each of the evaluation DAC1 set criterion (relevance, effectiveness, impact, efficiency, and sustainability), conclusions, specific recommendations to improve/amend/change the direction of the PNG Partnership, and lessons learnt. Annexes should include the TOR, an evaluation matrix, and a list of interviews and sources of evidence.
- A presentation (virtual) of the draft results of the evaluation to be made to DFAT PNG, MFAT PNG, IFC on/or around the 16th June 2021.
- Final report to be submitted by 23rd June 2021.

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

D. SPECIFIC INPUTS TO BE PRESENTED BY IFC

- WBG PNG Systematic Country Diagnostic and accompanying CPF spanning FY19-23.
- PNG Partnership legal documentation.
- PNG Partnership Progress Reports/Annual Reports.
- Project documents (Implementation Plans, Project Supervision Reports, Project Completion Reports, and supporting evidence upon request).
- 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 PNG Post and head offices in Canberra and Wellington; project clients; and other key stakeholders.

6.2 Midterm Evaluation Matrix

The evaluation matrix presented below is based on Organization for Economic Cooperation (OECD) Donor Assistance Committee (DAC) *Principles for Evaluation of Development Assistance*.⁴² Originally adopted in 1991, an updated version of the OECD DAC criteria was adopted in 2019 based on lessons learned and experiences.⁴³ Where relevant, this matrix has also incorporated elements of the Donor Committee for Enterprise Development (DCED) *Standard for Measuring Results in Private Sector Development*.⁴⁴

Relevance
To what extent are the projects undertaken under the PNG Partnership relevant to and aligned with the priorities, policies and strategies of IFC, the World Bank, Australia, and New Zealand?
To what extent are the projects undertaken under the PNG Partnership relevant to the PNG country context, client needs (i.e., now and at the time the program was developed), and the needs of the private sector? To what extent has the program fostered client buy-in and contributions?
To what extent is the PNG Partnership strategy appropriate to the resources available?
What are the criteria that led to the adoption of projects for implementation? Have potential synergies between projects in the program been optimized?
Have PNG Partnership projects formulated monitoring indicators and targets based on a clear articulation of the results chain or theory of change, capturing relevant baseline data?
To what extent has the PNG Partnership and its supported projects been able to respond and adjust to the COVID-19 pandemic? How was COVID-19 affected the partnership and its projects (directly and indirectly)?
To what extent, and how, has the PNG Partnership applied a gender analysis in its project design?
Effectiveness
To what extent have the PNG Partnership activities undertaken had a direct line of sight to achieving the high-level goals of the Partnership in a timely manner? What adjustments, if any, are recommended to refine monitoring, evaluation and learning frameworks?
How effective has the PNG Partnership been in leveraging IFC resources and experiences within PNG and globally?
To what extent have intended outcomes been achieved? To what extent have projects under the PNG Partnership been effective in achieving their objectives and outcomes?
To what extent has IFC contributed to changes in the behaviour or performance of IFC clients and beneficiaries—including (specifically) private sector partners? To what extent do these changes align with IFC's recommendations? What are the reasons for divergence?

⁴² OECD-DAC (1991) [Principles for Evaluation of Development Assistance](#), OECD, Paris.

⁴³ OECD-DAC (2019) [Better Criteria for Better Evaluation; Revised Evaluation Criteria Definitions and Principles for Use](#), OECD/DAC Network on Development Evaluation, OECD Paris.

⁴⁴ DCED (2017) [The DCED Standard for Measuring Results in Private Sector Development](#), Donor Committee for Enterprise Development, Cambridge.

What unintended outcomes (i.e., positive and negative) have occurred? How does the PNG Partnership monitor for unintended consequences?
Does the PNG Partnership have a clear system for using project data and information from its results measurement system to refine project strategy and management decisions?
Are the PNG Partnership projects monitoring and assessing performance that is differentiated by gender?
What were the intended gender equality and empowerment outcomes of the PNG Partnership on IFC clients? To what extent have intended outcomes been achieved?
What unintended outcomes (i.e., positive and negative) for women and girls have occurred?
How has COVID-19 affected partnership project monitoring?
Efficiency
To what extent is the PNG Partnership being efficiently implemented and managed to ensure progress towards its objectives and high-level goals is met in a timely manner?
To what extent are program resources, staffing and capacities appropriate to manage the program effectively?
To what extent has risk been well managed?
To what extent are the governance structures for the Partnership appropriate?
To what extent does the PNG Partnership deliver value for money? How does the program track costs and impacts?
How has COVID-19 affected program efficiency and what measures have been introduced to ensure efficiency in this period?
Given the heavy reliance on external consultants and advisers and travel into the regions, how will be program ensure if inputs are effectively managed in response to COVID-19 in the short and medium-term (i.e., to June 2022)?
To what extent and how has the PNG Partnership ensured project activities and outputs are gender-responsive through adequate procedures and approaches, processes, capacity building initiatives as well as adequate resources?
Impact
To what extent is the PNG Partnership on track to deliver impact?
How has COVID-19 affected the likelihood of the PNG Partnership to achieve its results on time?
What difference (i.e., tangible benefits) is the PNG Partnership bringing to local beneficiaries and communities? How can this be improved?
How well does the monitoring and evaluation framework measure the impact of PNG Partnership activities at the beneficiary level?

Sustainability
To what extent are PNG Partnership results and benefits likely to be resilient to identified risks, and sustained?
To what extent has the PNG Partnership established or enhanced capacity, processes and systems that are likely to be sustained?
To what extent has the PNG Partnership empowered local partners to deliver and how has the delivery approach and the operational incentives impacted on sustainability?
To what extent has the PNG Partnership promoted environmental and social standards as per the IFC Performance Standards?
To what extent has the PNG Partnership empowered local partners to be gender-responsive and how has the delivery approach and the operational incentives impacted on sustainability of changes gender dynamics?
What measures are in place to ensure the PNG Partnership is responsive to the short and medium-term impacts of COVID-19 (i.e., to June 2022)?

6.3 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 (2020) *In Partnership: Australia, New Zealand and IFC*, IFC, Washington DC [Note: this publication is incorrectly dated as 2018]

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

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 (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 (2020) 'New surveys track the economic and social impact of COVID-19 on families in Papua New Guinea and Solomon Islands', Press release, website, 8 December, visited 28 April 2021: <https://www.worldbank.org/en/news/press-release/2020/12/08/new-surveys-track-the-economic-and-social-impact-of-covid-19-on-families-in-papua-new-guinea-and-solomon-islands>

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

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

PNG PARTNERSHIP I – PROJECT DOCUMENTS

Note that project Concept Notes, Implementation Plans and Supervision 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*

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 PP-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*

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*

PNG PARTNERSHIP II – PROJECT DOCUMENTS

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*

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*

PNG SME Competitiveness Project

2017-07-11 *Concept Note*

2018-05-17 *Implementation Plan*

2021-02-26 *Supervision Report*

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

2018-19-10 *Project Initiative Note*

2019-12-19 *Implementation Plan*

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)

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*

Bel Isi PNG

2019 *Project Initiative Note*

2019-07-18 *Concept Note*

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

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)

6.4 List of Respondents

PARTNERS	
Australia-PNG Post and Canberra	New Zealand MFAT
WBG-IFC	
Country Manager Pacific PNG Resident Representative Senior Country Officer Operations Officer	
Senior Operations Officer (on behalf of WB PNG Country Manager)	
Senior Investment Officer Manufacturing Agribusiness and Services Investment Officer, Financial Institutions Group Investment Officer-Infrastructure Investment Officer-Financial Institutions Group Senior Operations Officer	Pacific Investment Team
Results Measurement Specialist Results Measurement Consultant	EAP Results Measurement
Senior Financial Sector Specialist Senior Financial Sector Specialist Financial Sector Specialist Senior Financial Sector Specialist	Creating Markets Advisory Finance: Interoperable Switch; Capital Markets Development; PNG Consumer Protection.
Investment Officer	Financial Institutions Group: Kina Bank PNG TA; Pacific Westpac M-Banking
Pacific Hub Leader Assoc Investment Officer Investment Officer Investment Officer PPP consultant; PNG Resident Representative	Public-Private Partnership: PNG Hospital PPP; PNG Affordable Housing PPP; PNG Remote Grid IPP
EAP Lead, Gender and Economic Inclusion Operations Officer-Gender Operations Officer-Gender Senior Operations Officer-Gender	Gender: PNG Women's Technical and Vocational Education and Training Feasibility Study; Bel Isi PNG; Pacific WINvest Project
Senior Operations Officer	Infrastructure-Energy: Pacific Renewable Energy Generation project; Lighting PNG Extension project
Operations Officer	Agriculture: PNG Cassava; PNG Markham/Ramu Commercial Agriculture Development Program; PNG Gulf Project; Agriculture PNG Project
Senior Public Sector Specialist	PNG SME Competitiveness Project
Operations Officer-Tourism	Tourism: PNG Tourism; Tourism Baseline Study
STAKEHOLDERS	
ORGANISATION	PROJECT (COMPONENT)
ADB Resident Mission PNG	Private Sector Development Initiative
Westpac	Pacific Westpac M-Banking Project
Intrepid Travel Group	PNG Tourism Project
Carnival Australia	PNG Tourism Project
PNG Tourism Promotion Authority	PNG Tourism Project

Western Highlands Provincial Health Authority	PNG Hospital PPP
PNG Power Limited	Pacific Renewable Energy Generation (Rooftop Solar and Mini-Grids) PNG Remote Grid IPP
Bank of South Pacific (BSP)	Pacific Renewable Energy Generation (Strategy for integrating solar power in BSP's operations in PNG - Off-grid and On-grid) Pacific WINvest (Business Coalition for Women)
Bank of Papua New Guinea	Interoperable Switch (Retail Electronic Payment System and Instant Payment Product Development)
Bank of Paper New Guinea	PNG Capital Markets Development (Government Bonds and Market Infrastructure - Central Securities Depository (CSD) implementation)
Department of Treasury	PNG Capital Markets Development (Government bond market development)
PNG Internal Revenue Commission	PNG SME Tax and PNG SME Competitiveness Project
Kina Bank Limited	Kina Bank PNG (SME Banking Transformation-Integration)
Rhodes Construction	PNG Women's TVET (feasibility study) Pacific WINvest (Economic Dividends for Gender Equality - EDGE diagnostic and certification)
Business Coalition for Women (BCFW)	Bel Isi PNG (diagnostic and scoping project)
Oil Search Foundation	
Felimi PNG	
Bank South Pacific	
Nambawan Super	
NGF Limited	Lighting PNG
Brian Bell Group	Lighting PNG
Greenlight Planet	Lighting PNG
Bank of Papua New Guinea	PNG Consumer Protection (Develop and implement a National FCP Regulatory Framework)—Strengthen implementation and awareness of FCP in PNG
National Agriculture and Quarantine Inspection Authority	PNG SME Competitiveness Project (Biosecurity - sector specific improvements to make agribusiness more competitive in PNG)
Tininga	Agriculture PNG (Fresh Produce)
SB Brewery	PNG Cassava
Market Development Facility	PNG Cassava

6.5 Project Details and Evaluation Notes

PNG Partnership I		
Project Name/Objective	Status/Dates	Sector
Interoperable Switch (component of Pacific Payment Systems project) [ID: 585727] 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.	Implementation 12/2015 30/06/2022	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.
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 increase number of non-cash transactions through REPS. Still in implementation but anticipated to achieve significant impact on PNG financial systems.
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 IFC project [ID 561592]; support to national payment systems.</p> <p>Data collected in number of women using electronic payment systems (Impact). Delays due to COVID-19; Launch due soon. The project aims to conduct an impact survey to measure data in relation to Partnership Goals # 4, 5.1, 5.2 and 6. Results will be reported in future reporting. Data not being reported nor available by BPNG.</p> <p>This project is scheduled for conclusion on 30 June 2022. Anticipated next steps: Ongoing support to BPNG, as needed; review the readiness of REPS members for the new payment product; assist in reviewing existing documents, provide guidance with the updates required for the (new) commercial arrangements, detailed operating rules. As of March 2021, the launch of the Instant Payments product among microfinance institutions was completed. BPNG has revised the operating rules for its participants. The Commercial Banks are expected to join the network and offer the Instant Payments Transactions in late 2021.</p>		
PNG SME Tax [ID: 592867] Broaden PNG's long-term tax base; encourage formalization 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 importance of taxation amongst these firms; and develop appropriate use of tax incentives. An estimated 11,200 firms are expected to benefit from these reforms.	Closed 16/02/2015 31/12/2019	SME
Relevance	HIGH	This is a much-needed project; based on a request from the Government of PNG. Aligned with Medium-Term Revenue Strategy 2018-2022.
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	LOW	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).

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 project appears to have been very ambitious and not aligned with government intent and capacity. Many delays were experienced. The SME Competitiveness project was able to pick up elements of the project.</p> <p>Project Closure Report rated it as 'mostly unsuccessful' having fallen short in two out of four objectives.</p>		
Lighting PNG Extension [ID: 594427]		Energy
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.		<p>Closed</p> <p>11/2016</p> <p>30/06/2019</p>
Relevance	HIGH	Energy challenges are significant; issues related to poor quality goods undermining market confidence and hence development are high.
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.
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 & 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>		
Pacific WINvest [ID: 599352]		Women
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>Closed</p> <p>01/07/2014</p> <p>31/12/2019</p>
Relevance	HIGH	Very relevant to the issues affecting women's economic empowerment. Project Completion Report scores the project as 'excellent' in terms of relevance.
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.
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>Very successful project that has been influential in shaping IFC's work in the Pacific and beyond.</p> <p>Recommendation: Conduct an external independent evaluation to identify the impact of the project, lessons learned and best practices to be shared.</p>		
Pacific Westpac M-Banking [ID: 599825]		Finance
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>Closed</p> <p>15/02/2014</p> <p>31/12/2017</p>

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.
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 account holders, it is hoped that the longer-term impact of this work (i.e., towards social inclusion) is yet to be realised.
Sustainability	HIGH	The systems established and market changes are highly sustainable.
<p>This project scores well in all the criteria above. 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>		
Agriculture PNG [ID: 599409] 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.		Closed 01/07/2013 30/09/2018
Agriculture		
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.
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.
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>It proved very difficult to contact project partners for this evaluation (with one exception). This project appeared to suffer from a high turnover of IFC project leadership.</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> <p>Project Completion Report rated this project as 'unsuccessful' in development effectiveness.</p>		
Pacific Renewable Energy Generation (also funded by PP-II) [ID: 600131] Taking an investment led with a market creation approach, the overall goal of this project is to open up 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.		Implementation 06/2017 31/03/2021
Energy		
Relevance	HIGH	Responds to a critical issue (barrier) affecting private sector and economic development, while pursuing renewable options.
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.
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>It is understood that this project is all but complete, with compilation of Project Completion Report underway.</p>		
<p>PNG Hospital PPP [ID: 602234]</p> <p>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.</p>		<p>Implementation</p> <p>29/06/2018 30/06/2021</p> <p>Health</p>
Relevance	MED	While the need for health care is clear, the relevance of a PPP approach in PNG is not as clear. There <i>is</i> 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.
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	-
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'.</p> <p>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.</p> <p>As it stands, this project is all but complete. There is little likelihood of further advancement (given COVID-19 and a variety of issues related to identifying a suitable investor and addressing the issues associated with the preparedness of the government to take on a PPP model of this kind).</p>		
<p>PNG Tourism [ID: 602271]</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>Closed</p> <p>01/07/2017 30/06/2020</p> <p>Tourism</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).
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. Project Completion Report 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).
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>Public and private project partners spoke well of this project and the role of the IFC in providing expertise.</p> <p>Project offers 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. 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). While market actors anticipate a quick rebound, this is difficult to predict with confidence.</p> <p>Concerns raised regarding donor coordination.</p> <p>Project Completion Report (20 October 2020) rated this project as 'mostly successful' in development effectiveness.</p> <p>Recommendation: Conduct an external independent evaluation to identify the impact of the project, lessons learned and best practices to be shared.</p>		
Tourism Baseline Study (component of PNG Tourism project) [ID: 602271]		Closed
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.		11/2015 07/2016
Relevance	HIGH	This is an important market within the tourism sector and the need for data was clear.
Effectiveness	HIGH	Well designed and executed project.
Efficiency	HIGH	High quality well-presented report. Appreciated by government and private sector.
Impact	N/A	-
Sustainability	N/A	-
<p>This is a 'diagnosis/scoping project'. Thus, it's 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>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>		
PNG Gulf [ID: 602912]		Closed
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.		12/2017 12/2018
Relevance	HIGH	An important issue and aligned with broader private sector development challenges and opportunities.
Effectiveness	HIGH	Appears to be a good quality, well presented report.
Efficiency	MED	Difficult to determine, but appears reasonable (if somewhat expensive as a single study)
Impact	N/A	-
Sustainability	N/A	-
<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>		
PNG Partnership II		
PNG SME Competitiveness Project [ID: 601353]		Implementation
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		08/01/2019 30/06/2022

of key business environment processes and removal of regulatory constraints to facilitate investment in agribusiness and exports of agriculture products.				
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.		
Effectiveness	MED	This project has been 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.		
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 a high degree of ambition: (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.</p> <p>There have been problems working with some ministries; unable to reach agreement on priorities. COVID-19 has slowed progress, but these problems appeared prior to the pandemic's emergence. Overtime, this project has been required to adjust considerably.</p> <p>The initial Concept Note (July 2017) suggests the goal of this 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, interest in government, away from 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 are 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 report that the government is 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>This project is scheduled for completion in June 2022. This may be possible, but it is clear the final results will look very different to those originally envisaged. On the one hand, this is testament to the project's (and IFC's) ability to adapt to changing situations. On the other hand, it is not clear this project was well conceived in its initial design.</p>				
Capital Markets Development – PNG [ID: 602232]			Implementation	Finance
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	
Relevance	HIGH	Based on a clear need and aligned with national policy and strategic frameworks. Based on demand.		
Effectiveness	HIGH	Project has achieved important outcomes overall.		
Efficiency	HIGH	Quality of TA provided has been received, considered timely, relevant and high standard.		
Impact	HIGH	Difficult to fully determine at this stage, but there are likely to be significant impacts resulting from this project, notwithstanding the challenges within the securities commission.		

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. Draft regulatory framework 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>Concerns raised regarding donor coordination.</p> <p>Project likely to be completed successfully by June 2022, but again, the resolution of the problems with the securities commission is difficult to predict.</p>								
PNG Consumer Protection [ID: 602330]		<table border="1"> <tr> <td>Implementation</td> <td>Finance</td> </tr> <tr> <td>21/05/2018</td> <td></td> </tr> <tr> <td>31/12/2022</td> <td></td> </tr> </table>	Implementation	Finance	21/05/2018		31/12/2022	
Implementation	Finance							
21/05/2018								
31/12/2022								
<p>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.</p>								
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).						
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.						
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>Consultations on draft are limited due to COVID-19 and new processes are being considered. Virtual meetings and updates have worked well over the last 12 months.</p> <p>There have been specific concerns regarding donor coordination in this project regarding the ADB. This issue arose in this project but concerns other finance-related projects.</p> <p>It appears feasible for the project to come to completion at the proposed date of December 2022, based on the changes in modality that have been applied with COVID-19.</p>								
PNG Cassava [ID: 603456]		<table border="1"> <tr> <td>Implementation</td> <td>Agriculture</td> </tr> <tr> <td>04/02/2020</td> <td></td> </tr> <tr> <td>30/06/2022</td> <td></td> </tr> </table>	Implementation	Agriculture	04/02/2020		30/06/2022	
Implementation	Agriculture							
04/02/2020								
30/06/2022								
<p>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.</p>								
Relevance	MED							
Effectiveness	MED							
Efficiency	MED							
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).						
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.</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 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>		
<p>Kina Bank PNG TA [ID: 603602]</p> <p>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.</p>	<p>Implementation</p> <p>01/11/2018 31/12/2021</p>	<p>Finance</p>
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.
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.
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>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.</p> <p>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>This project is on track for completion by the end of 2021. Project Completion Report being completed.</p>		
<p>PNG Affordable Housing PPP [ID: 603069/603897]</p> <p>Assist Government of PNG in structuring and implementing a commercially viable transaction to provide affordable and green housing in Port Moresby.</p>	<p>Pre-Implementation</p>	<p>Housing</p>
Relevance	MED	The need for investment is clear. However, the relevance of this approach given the requirements for land and suitable investors is low.
Effectiveness	MED	While not possible to fully evaluate, the provision of advice to the government is considered reasonable.
Efficiency	LOW	See comments below.

Impact	N/A	-
Sustainability	N/A	-
<p>It was not possible to consult project partners for this evaluation.</p> <p>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 issue, and which prepared subsequent country-level business cases leading to PPP mandates in each market. The concept for a PNG Affordable Housing project was developed based on this. In July 2019, a financial advisory services agreement was signed with the National Capital District Commission (NCDC)—the provincial government responsible for Port Moresby. The legal mandate with NCDC is not yet effective because this has been made conditional on confirmation of suitable land. IFC, in consultation with DFAT and MFAT, made land a precondition for any further support from the partnership, and future work will not begin until this occurs. To-date, NCDC has been unable to secure suitable land for the project. IFC is exploring options available to secure land—the project focuses on government-owned land, of which there are considerable holdings with clear title. IFC have highlighted that this is a correct and prudent approach. By holding off on the commitment of resources under the partnership until the key obstacle of land has been overcome, IFC is taking a strategic, efficient and responsible approach to the use of resources and the management of risk. IFC recently met with prime minister and minister for lands, who both confirmed the high priority of the project and indicated they are actively trying to secure land and establish implementation arrangements.</p> <p>Very little concrete data available for evaluation purposes. However, overall, it appears very unlikely this project will proceed further within the timeframe of the PNG Partnership. COVID-19 is a major distraction for government and other actors and the lack of suitable land is a complex and major obstacle. Even if land were to be found immediately, the timeframe required for this project to come to fruition is substantial. Thus, this project is not likely to proceed.</p>		
PNG Remote Grid IPP [ID: 603545] 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.		Pre-Implementation Energy
Relevance	HIGH	The challenges of power affordability and access are significant; strategic role for new IPPs. PPP is a highly relevant model.
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.
Sustainability	LOW	As above.
<p>The IFC and DFAT, through its Economic and Social Infrastructure Program, jointly implemented this project.</p> <p>The analytical studies have been completed. IFC is now waiting on the client (PNG Power). PNG Power expressed a concern that their own capacity to organise is limited. The prospects for moving this project forward are very unclear.</p> <p>IFC's analytical work was referenced in recent PPL strategies and presentations. However, PPL has expressed a view that an international best practice tender process will take too much time. IFC, jointly with DFAT and AIFFP 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. PPL intends to assess the results of this process by the end of June 2021 and will come back to IFC and DFAT if its own tender does not yield a satisfactory result.</p> <p>Without addressing payment risks and the economic and social risks upfront, PPL's current approach will not lead to a satisfactory outcome. Thus, the IFC believes the likelihood of PPL reengaging with the IFC and DFAT is high after 30 June 2021.</p>		
PNG Markham/Ramu Commercial Agriculture Development Program [ID: 604226] 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.		Completed Agriculture

Relevance	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.
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>		
PNG Women's Technical and Vocational Education and Training (TVET) – Feasibility Study [ID: 604167] 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.		Pre-Implementation 16/05/2019 30/06/2021 Women
Relevance	HIGH	This topic appears to be highly relevant to women's employment.
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	-
Sustainability	N/A	-
<p>Report produced: Preliminary Market Scan: Concept Development for PNG Technical Training College for Women.</p> <p>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'.</p> <p>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.</p>		
Bel Isi PNG [ID: 604313] 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.		Pre-Implementation 23/07/2019 01/03/2023 Women
Relevance	HIGH	A major topic of concern for women's employment in PNG. Strong demand from the corporates involved.
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.
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.
<p>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</p>		

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.