World Bank Group Country Partnership Framework for Papua New Guinea 2025-2029

Consultation Workshop

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Overview

- Vision of the World Bank Group
- Purpose of the new Country Partnership Framework
- The WBG's strategic engagement in PNG
- How we identify focus areas (High Level Outcomes) to include in the CPF
- Focus areas under the current CPF
- Current financing portfolio
- Proposed new CPF
- Comparison between the proposed new CPF and current CPF
- Discussion

The World Bank Group

Our vision is to create a world free of poverty on a livable planet

Our mission is to end extreme poverty and boost shared prosperity on a livable planet by supporting impactful development that is:

- Inclusive of everyone, including women and young people
- Resilient to shocks, including against climate and biodiversity crises, pandemics and fragility
- Sustainable, through growth and job creation, human development, fiscal and debt management, food security and access to clean air, water, and affordable energy

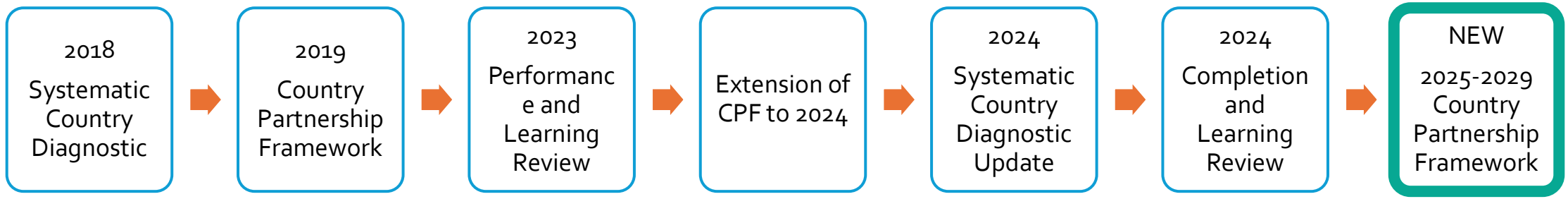
What is the purpose of the new Country Partnership Framework?

The Country Partnership Framework 2025-2029 will lay out the high-level strategic outcomes to which the World Bank Group's support to PNG seeks to contribute over the coming years.

It will guide the engagement in PNG of four constituent institutions of the WBG:

- **International Bank for Reconstruction and Development (IBRD)** and the **International Development Association (IDA)** which both provide financing, policy advice and technical assistance to government
- **International Finance Corporation (IFC),** which focuses on investment and advisory services for the private sector
- **Multilateral Investment Guarantee Agency (MIGA),** which promotes private investment by offering political risk insurance

The WBG's strategic engagement in PNG in recent years



February 2024

Independent Evaluation Group

Country Program Evaluation FY2008-2023

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How do we identify focus areas to include in the CPF?

1. We ensure that there is alignment with the Government's medium-term strategic goals as contained in its MTDP VI
2. We consider what the WBG's analysis says about key pathways for achieving the country's goals and the WBG's mission
3. We consider the Bank's mandate under its Articles of Association as well as areas where it has a comparative technical advantage
4. We look at lessons learned from the previous strategies
5. We take into account the views of various stakeholders through consultations

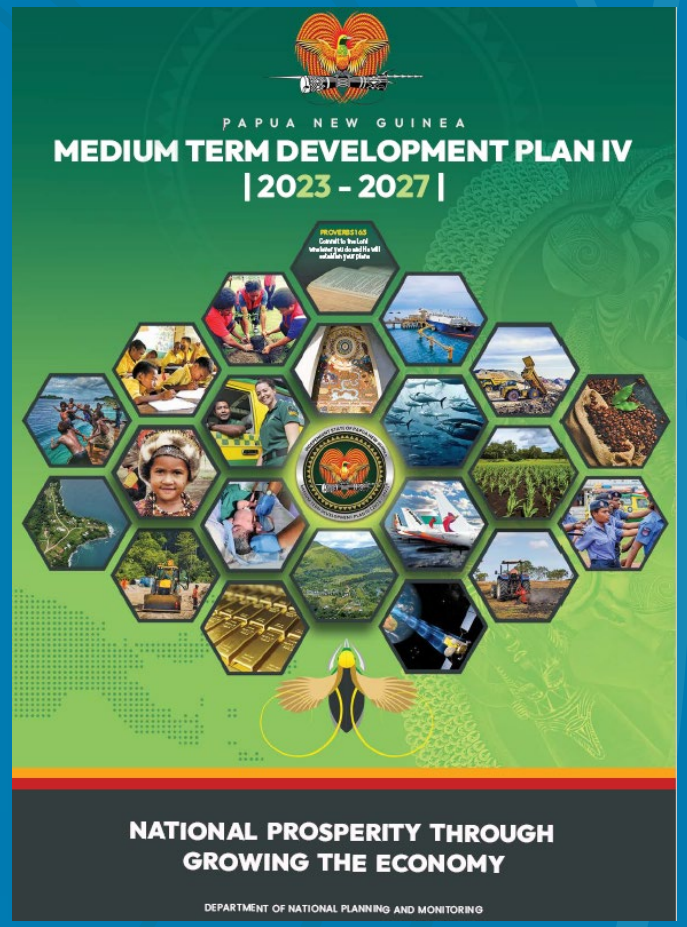
1

To achieve a K200 billion economy by 2030

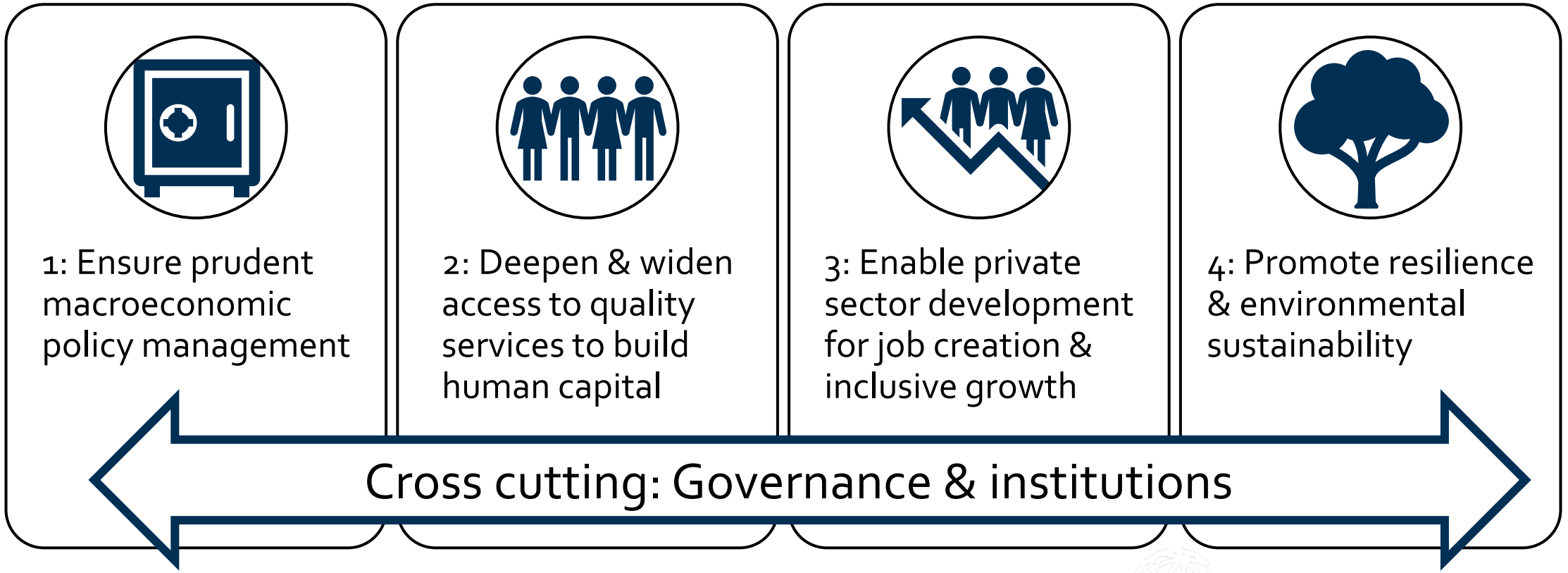
Create one million additional jobs

To improve the quality of life for all PNG citizens

Establish socio-economic service delivery standards for every level of government



2 According to WBG analyses, what are the key pathways to reducing poverty & boosting shared prosperity in PNG?



3 What are the boundaries of the WBG's mandate & where does the WBG have a comparative advantage?

- We do not have a mandate to be involved in political activities (e.g. supporting elections) or security sector (e.g. supporting the army or police)

- We do not have a comparative advantage in engaging extensively at grass roots levels or in immediate humanitarian response

- We have a comparative advantage in supporting Governments and the Private Sector by bringing in global knowledge of what works and what does not work and tailoring it to specific country contexts, especially in infrastructure, social sectors, sustainable development, and economic governance

4 What lessons have we learned at a strategic level?

- Continue to build on strong foundations
- Increase focus on:
  - Prevention of conflict and strengthening resilience to interrelated risks
  - Governance and institutional strengthening
  - Elevating gender equality and GBV
- Data gaps need to be addressed to inform sound policy making and effective programming
- Retain flexibility to respond to shocks
- Be streamlined, selective and realistic in targets

4 What lessons have we learned in the way we work?

- In-country resources and parallel technical assistance support implementation and successful investments, especially in new areas
- Enhanced hand-in-hand implementation support works
- Project readiness requires us to deploy all tools and help agencies to establish project management units early
- Innovative, third party and remote monitoring approaches are needed to support implementation and supervision
- Working at scale, and supporting policy reforms requires working across the WBG and with others
- Partnerships with non-government organizations are important, especially for service delivery
- Avoid multiple or overlapping operations in the same sector
- Flexibilities in project design are necessary, but not often used to respond to shocks

5 What consultations have we had so far?

March 2024 consultations began with the Risk and Resilience Assessment

April 2024 Growth Summit with leaders from national government

May – August 2024 Stakeholder Engagement Survey

October 11, 2024 (today) – In person consultation workshop

October – November 2024 – consultations through our website

Focus Areas under the current CPF 2019-2024

1. Improving macro and fiscal resilience	2. Ensuring more effective and inclusive service delivery, particularly in underserved areas	3. Enabling Private sector development and inclusive growth in non-resource sectors
• Objective 1.1: Strengthen fiscal management • Objective 1.2: Improve governance in the resource sector	• 2.1 Improve management and maintenance of PNG's road infrastructure • 2.2 Improve access to key human development services • 2.3 Enhanced access to improved water sources • 2.4 Improve planning and operational capacity for achieving the government's electrification targets • 2.5 Improve community access to basic infrastructure and services, particularly in vulnerable areas	• 3.1 Improve MSME competitiveness and access to financial services • 3.2 Improve competitiveness and productivity of agriculture • 3.3 deepen economic participation of women and youth

Addressing governance and institutional challenges

Summary of World Bank's current financing portfolio

Project	Amount	Main activities financed
Enhancing Labor Mobility from PNG Project	US$32m	Facilitate job access for 8000 PNG workers to Australia & New Zealand
Urban Youth Employment Project II	US$35m	Create job opportunities for urban youth
PNG Agriculture Commercialization and Diversification Project	US$40m	Grants to cocoa, coffee, copra, livestock, & spice farmers
Resilient Transport Project	US$107m	Rehabilitation of sections of Ramu Highway
Energy Utility Performance & Reliability Improvement Project	US$30m	Upgrade distribution infrastructure & strengthen capacity of PPL
National Energy Access Transformation Project	US$204m	On-grid electrification, renewable energy- mini-grids and private sector-led off-grid solar home systems in rural and remote areas.
Water Supply and Sanitation Development Project	US$70m	Water supply infrastructure in provincial & district towns
Rural Service Delivery Project	US$23m	Finance community infrastructure on demand
Improving Access to & Value from Health Services Project	US$30m	Upgrade health facilities & improve service standards
Emergency COVID-19 Project	US$30m	PPEs, testing capacity, medical waste incinerators
Child Nutrition and Social Protection Project	US$90m	Child grants & nutrition supplements
Total	**US$691 m**	

Proposed New Country Partnership Framework

Increased private sector-led job creation

Objective 1: Improve the policy and institutional environment for the private sector

Objective 2: Expand access to resilient infrastructure

Improved human capital outcomes

Objective 3: Improve access to quality education, health and nutrition

Objective 4: Enhance youth and women's economic and social empowerment

Enhanced governance for sustainability and resilience

Objective 5: Improve efficiency and inclusiveness of government systems

Objective 6: Strengthen management of natural resources and benefit sharing

Comparing the proposed new CPF with the current CPF

- Improved governance has been elevated from being just a cross-cutting area to a key outcome, with a focus on improving the efficiency and effectiveness of the Government systems

- Sustainability and resilience now feature more prominently, especially with regard to the management of natural resources and sharing of benefits

- Expanding access to resilient infrastructure features as a key strategic objective for creating more jobs through private sector growth

- Improving human capital outcomes will continue to be a major focus area but with a special focus on economic and social empowerment for women and the youth

Indicative timeline

October 2024 – Consultations

End 2024 – Finalization and World Bank Group Management review

Early 2025 – Presentation to the World Bank Group Board

Discussion

1. What do you think are the most important development priorities for PNG?
2. Where do you think the World Bank Group has a comparative advantage?
3. What areas should the World Bank Group focus on over the next five years?
4. From your experience, what lessons do you think the World Bank Group could learn from?

Tenkyu tru!

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Resources

Analysis

PNG Systematic Country Diagnostic

https://documents.worldbank.org/en/publication/documents-reports/documentdetail/360291543468322518/the-independent-state-of-papua-new-guinea-systematic-country-diagnostic

PNG Country Economic Memorandum: Pathways to faster and more inclusive growth

https://openknowledge.worldbank.org/entities/publication/169d105d-7560-485c-b6f3-b59827612b80

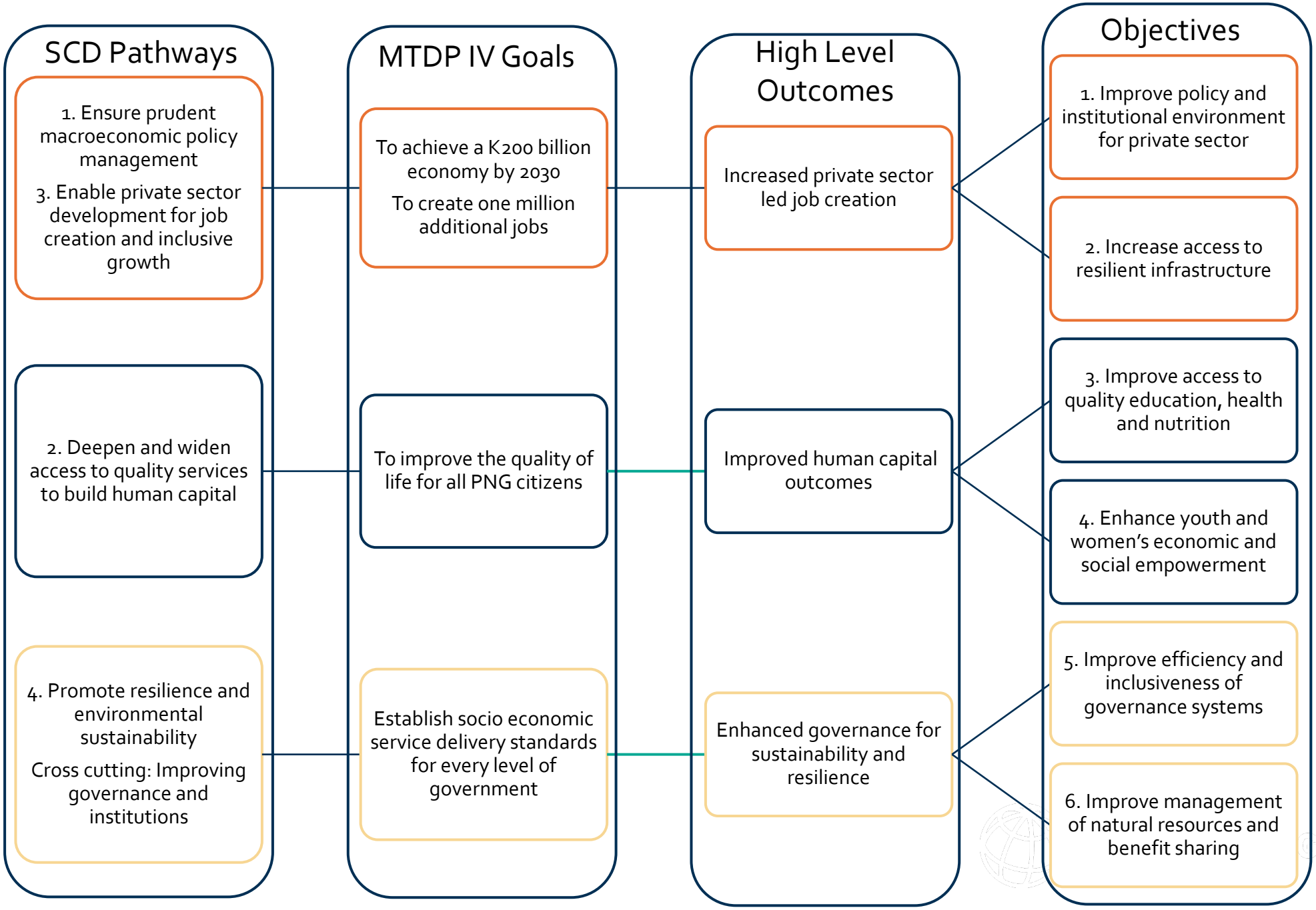
Evaluations

PNG Performance and Learning Review of the Country Partnership Framework FY19-23

https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099061323084026787/bosib01d4593500870ae68038f3e069a01a

The World Bank Group in PNG 2008-23 Country Program Evaluation

https://ieg.worldbankgroup.org/evaluations/world-bank-group-papua-new-guinea-2008-23


SCD Pathways
1. Ensure prudent macroeconomic policy management
3. Enable private sector development for job creation and inclusive growth
2. Deepen and widen access to quality services to build human capital
4. Promote resilience and environmental sustainability
Cross cutting: Improving governance and institutions
MTDP IV Goals
To achieve a K200 billion economy by 2030
To create one million additional jobs
To improve the quality of life for all PNG citizens
Establish socio economic service delivery standards for every level of government
High Level Outcomes
Increased private sector led job creation
Improved human capital outcomes
Enhanced governance for sustainability and resilience
Objectives
1. Improve policy and institutional environment for private sector
2. Increase access to resilient infrastructure
3. Improve access to quality education, health and nutrition
4. Enhance youth and women's economic and social empowerment
5. Improve efficiency and inclusiveness of governance systems
6. Improve management of natural resources and benefit sharing