PNG Tourism Sector Development Project (P158807)

Key Dates

Key Project Dates

- Bank Approval Date: 09-Jun-2017
- Effectiveness Date: 16-Nov-2017
- Planned Mid Term Review Date: 14-Dec-2020
- Actual Mid-Term Review Date:
- Original Closing Date: 31-Aug-2022
- Revised Closing Date: 31-Aug-2022

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The project development objective is to improve tourism services in targeted destinations.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

Components Table

- Component 1. Institutional and Policy Frameworks:(Cost $4.00 M)
- Component 2. Infrastructure and Community/Product Development:(Cost $13.00 M)
- Component 3. Project Management:(Cost $3.00 M)

Overall Ratings

<table>
<thead>
<tr>
<th>Name</th>
<th>Previous Rating</th>
<th>Current Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Progress towards achievement of PDO</td>
<td>Moderately Unsatisfactory</td>
<td>Moderately Unsatisfactory</td>
</tr>
<tr>
<td>Overall Implementation Progress (IP)</td>
<td>Moderately Unsatisfactory</td>
<td>Moderately Unsatisfactory</td>
</tr>
<tr>
<td>Overall Risk Rating</td>
<td>Substantial</td>
<td>Substantial</td>
</tr>
</tbody>
</table>

Implementation Status and Key Decisions

In light of the COVID-19 State of Emergency in place in Papua New Guinea, and the related restrictions/work closures this is a desk-based Implementation Status Report.

There remain persistent, significant implementation delays, which are still affecting the project. The development/updating of the National and Provincial Tourism Plans is progressing, expected to provide the 5-year framework for strategic investments in the sector, including those financed by the project.
Risks

Systematic Operations Risk-rating Tool

<table>
<thead>
<tr>
<th>Risk Category</th>
<th>Rating at Approval</th>
<th>Previous Rating</th>
<th>Current Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Political and Governance</td>
<td>Substantial</td>
<td>Substantial</td>
<td>Substantial</td>
</tr>
<tr>
<td>Macroeconomic</td>
<td>Substantial</td>
<td>Substantial</td>
<td>Substantial</td>
</tr>
<tr>
<td>Sector Strategies and Policies</td>
<td>Moderate</td>
<td>Moderate</td>
<td>Moderate</td>
</tr>
<tr>
<td>Technical Design of Project or Program</td>
<td>Substantial</td>
<td>Substantial</td>
<td>Substantial</td>
</tr>
<tr>
<td>Institutional Capacity for Implementation and Sustainability</td>
<td>Substantial</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>Fiduciary</td>
<td>Substantial</td>
<td>Substantial</td>
<td>Substantial</td>
</tr>
<tr>
<td>Environment and Social</td>
<td>Substantial</td>
<td>Substantial</td>
<td>Substantial</td>
</tr>
<tr>
<td>Stakeholders</td>
<td>Substantial</td>
<td>Substantial</td>
<td>Substantial</td>
</tr>
<tr>
<td>Other</td>
<td>Moderate</td>
<td>Moderate</td>
<td>Moderate</td>
</tr>
<tr>
<td>Overall</td>
<td>Substantial</td>
<td>Substantial</td>
<td>Substantial</td>
</tr>
</tbody>
</table>

Results

PDO Indicators by Objectives / Outcomes

To improve tourism services in targeted destinations

- ▶Increased number of community-led enterprise that improve their economic livelihood (gender disaggregated, 50% women-led target.) (Number, Custom)

<table>
<thead>
<tr>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>0.00</td>
<td>0.00</td>
<td>125.00</td>
</tr>
<tr>
<td>Date</td>
<td>01-Jul-2017</td>
<td>05-Dec-2019</td>
<td>05-Dec-2019</td>
</tr>
</tbody>
</table>

Comments: Not achieved compared to the 2019 target. This indicator is proposed for revision to Beneficiaries of Tourism Enterprise Advisory Services (TEAS) program (Number) through the proposed project restructuring, due to Government’s priority to redesign the project approach to be more inclusive of micro-and small enterprises (going beyond just community-led enterprises). This is aligned with the Medium-Term Development Plan III, 2018-2022, which establishes economic growth as the highest national priority, calls for promoting growth of the micro-/small-enterprise and tourism sectors.

- ▶Increased number of cultural and natural heritage sites with improved infrastructure services based on sustainable site management plans (Number, Custom)

<table>
<thead>
<tr>
<th>Baseline</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>0.00</td>
<td>0.00</td>
<td>8.00</td>
</tr>
<tr>
<td>Date</td>
<td>01-Jul-2017</td>
<td>05-Dec-2019</td>
<td>05-Dec-2019</td>
</tr>
</tbody>
</table>
### Comments:
Not achieved compared to the 2019 target. A pipeline of infrastructure improvement sub-projects in priority sites has been agreed and design has commenced for simpler sub-projects. Five are expected to be completed in calendar year 2020, which will meet the target for year 3.

### Adoption and start execution of provincial tourism strategies (Number, Custom)

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Value</strong></td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>2.00</td>
</tr>
<tr>
<td><strong>Date</strong></td>
<td>01-Jul-2017</td>
<td>05-Dec-2019</td>
<td>05-Dec-2019</td>
<td>30-Apr-2022</td>
</tr>
</tbody>
</table>

**Comments:**
Not achieved compared to the 2019 target. Development of provincial tourism strategies is ongoing, with adoption and launching/start of execution expected in June 2020, after an appropriate period of public consultation.

### Adoption and start execution of a national tourism strategy (Number, Custom)

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Value</strong></td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>1.00</td>
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<tr>
<td><strong>Date</strong></td>
<td>01-Jul-2017</td>
<td>11-Dec-2019</td>
<td>11-Dec-2019</td>
<td>30-Apr-2022</td>
</tr>
</tbody>
</table>

**Comments:**
Not achieved compared to the 2019 target. Development of the national tourism strategy is underway and expected to be adopted in March 2020. Execution will follow.

### Direct project beneficiaries (Number, Custom)

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Value</strong></td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>30,000.00</td>
</tr>
<tr>
<td><strong>Date</strong></td>
<td>01-Jul-2017</td>
<td>05-Dec-2019</td>
<td>05-Dec-2019</td>
<td>30-Apr-2022</td>
</tr>
</tbody>
</table>

**Comments:**
The investment subprojects and the Tourism Enterprise Advisory Services program for micro- and small-enterprises are still under design, hence, direct beneficiaries have not yet been reached by project interventions (except during the consultation process for key project activities).

### Female beneficiaries (Percentage, Custom Supplement)

<table>
<thead>
<tr>
<th></th>
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<th>End Target</th>
</tr>
</thead>
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<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>15,000.00</td>
</tr>
</tbody>
</table>

**Overall Comments**
Given the pending cancellation status of this Project and challenges in supervision due to the COVID-19 crisis, the results have not changed under this ISR.

**Intermediate Results Indicators by Components**
### Component 1. Institutional and Policy Frameworks

**Number of Destination Management Offices established in target provinces (Number, Custom)**

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
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<tr>
<td>Value</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>2.00</td>
</tr>
<tr>
<td>Date</td>
<td>01-Jul-2017</td>
<td>05-Dec-2019</td>
<td>05-Dec-2019</td>
<td>30-Apr-2022</td>
</tr>
</tbody>
</table>
| Comments : | Not achieved compared to the 2019 target. This indicator will be dropped in the upcoming restructuring due to concerns of duplication of the existing provincial Tourism Board / Tourism Authority.

### Component 2. Infrastructure and Community/Product Development

**Number of museums refurbished (Number, Custom)**

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
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</thead>
<tbody>
<tr>
<td>Value</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>2.00</td>
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<tr>
<td>Date</td>
<td>01-Jul-2017</td>
<td>05-Dec-2019</td>
<td>05-Dec-2019</td>
<td>30-Apr-2022</td>
</tr>
</tbody>
</table>
| Comments : | Not achieved compared to the 2019 target. Types of sites to be improved will not be measured in the revised Results Framework, as these cannot be known in advance of detailed engineering designs and cost estimations.

**Number of traditional hand-craft markets rehabilitated/constructed (Number, Custom)**

<table>
<thead>
<tr>
<th></th>
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<td>05-Dec-2019</td>
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</tr>
</tbody>
</table>
| Comments : | Not achieved compared to the 2019 target. Types of sites to be improved will not be measured in the revised Results Framework, as these cannot be known in advance of detailed engineering designs and cost estimations.

**Increase number of community-led micro enterprises to improve their economic livelihood (gender disaggregated, 50% women led target) (Number, Custom)**

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
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<tbody>
<tr>
<td>Value</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>125.00</td>
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<tr>
<td>Date</td>
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<td>05-Dec-2019</td>
<td>30-Apr-2022</td>
</tr>
</tbody>
</table>
| Comments : | Not achieved compared to the 2019 target. This indicator will be revised to expand eligibility to micro- and small-sized enterprises, in addition to community-led enterprises.

**Number of street lighting posts replaced/installed with energy efficient bulbs (Number, Custom)**
## Component 3. Project Management

### GRM Indicator - Percentage of registered grievances appropriately resolved within two weeks (gender disaggregated) (Percentage, Custom)

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>0.00</td>
<td>100.00</td>
<td>100.00</td>
<td>100.00</td>
</tr>
<tr>
<td>Date</td>
<td>01-Jul-2017</td>
<td>05-Dec-2019</td>
<td>05-Dec-2019</td>
<td>30-Apr-2022</td>
</tr>
<tr>
<td>Comments:</td>
<td>Not achieved compared to the 2019 target. No grievances have been registered to-date. No civil works have commenced under the project.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### GRM Indicator - Percentage of beneficiaries that feel Project investments reflected their needs (gender disaggregated) (Percentage, Custom)

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
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<th>End Target</th>
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<td>05-Dec-2019</td>
<td>05-Dec-2019</td>
<td>30-Apr-2022</td>
</tr>
<tr>
<td>Comments:</td>
<td>Not achieved compared to the 2019 target. This indicator will be revisited in the restructuring in light of new citizen engagement requirements and good practice.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### GRM Indicator - Number of consultation workshops held with local communities (Number, Custom)

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
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<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
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<td>Value</td>
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<td>6.00</td>
<td>6.00</td>
<td>12.00</td>
</tr>
<tr>
<td>Date</td>
<td>01-Jul-2017</td>
<td>05-Dec-2019</td>
<td>05-Dec-2019</td>
<td>30-Apr-2022</td>
</tr>
</tbody>
</table>
Comments: Achieved compared to the 2019 target, based on regular, documented community consultations regarding subproject screening and selection.

Performance-Based Conditions

Data on Financial Performance

Disbursements (by loan)

<table>
<thead>
<tr>
<th>Project</th>
<th>Loan/Credit/TF</th>
<th>Status</th>
<th>Currency</th>
<th>Original</th>
<th>Revised</th>
<th>Cancelled</th>
<th>Disbursed</th>
<th>Undisbursed</th>
<th>% Disbursed</th>
</tr>
</thead>
<tbody>
<tr>
<td>P158807</td>
<td>IDA-60510</td>
<td>Effective</td>
<td>USD</td>
<td>20.00</td>
<td>20.00</td>
<td>0.00</td>
<td>1.32</td>
<td>18.95</td>
<td>6.5%</td>
</tr>
</tbody>
</table>

Key Dates (by loan)

<table>
<thead>
<tr>
<th>Project</th>
<th>Loan/Credit/TF</th>
<th>Status</th>
<th>Approval Date</th>
<th>Signing Date</th>
<th>Effectiveness Date</th>
<th>Orig. Closing Date</th>
<th>Rev. Closing Date</th>
</tr>
</thead>
</table>

Cumulative Disbursements
PBC Disbursement

<table>
<thead>
<tr>
<th>PBC ID</th>
<th>PBC Type</th>
<th>Description</th>
<th>Coc</th>
<th>PBC Amount</th>
<th>Achievement Status</th>
<th>Disbursed amount in Coc</th>
<th>Disbursement % for PBC</th>
</tr>
</thead>
</table>

Restructuring History

There has been no restructuring to date.

Related Project(s)

There are no related projects.