

2011
Papua New Guinea – Australia
**TRANSPORT PROGRAM
SIX MONTHLY PROGRESS
REPORT**

January – June 2011

Prepared by:

Papua New Guinea – Australia
Transport Sector Support Program (TSSP)
Supported by the Australian Government - AusAID

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Preface

The 2011 Transport Program Six Monthly Progress Report (January – June 2011) presents information within an agreed reporting structure, format and timeline. The progress report integrates Australian Government support to the Papua New Guinea transport sector through the Strongim Gavman Program, PNG-Australia Transport Sector Memorandum of Understanding and the PNG-Australia Transport Sector Support Program. The programs report to the Transport Sector Coordination, Monitoring and Implementation Committee (TSCMIC). This integration is a work in progress and will develop over time; currently the report primarily focuses on TSSP supported activities.

Consistent with other Program reports, reporting is primarily against the components identified within the PNG-Australia Transport Sector Support Program Scope of Services. An AusAID guideline (AusGUIDE) forms a backdrop, however, has not dominated broader in-country reporting preferences.

The 2011 Transport Program Six Monthly Progress Report covers transport program activities for the period January – June 2011. Activities from this period and the July – December 2011 period will be reported in the 2011 Transport Program Annual Report (finalised in Quarter 1, 2012). Along with the Transport Program Annual Plan (finalised in Quarter 4, 2011) and the Annual Transport Sector Performance Report (finalised in Quarter 1, 2012), this suite of reports outlines the transport program's planning, outputs and outcomes to TSCMIC.

The Six Monthly Progress Report has been prepared by the PNG-Australia Transport Sector Support Program on behalf of TSCMIC. The sector-wide reporting approach reflects discussions with PNG transport sector agencies and an ongoing commitment to continue to adapt reporting so that it better supports the sector's planning and reporting responsibilities; and provides the sector with a reporting mechanism more applicable to the transport sector needs.

Further information on Australia's long-term support to the Government of Papua New Guinea for the infrastructure sector can be found at www.pngtssp.com. Feedback relating to this report can be sent to tssp.png@gmail.com.

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Abbreviations/Acronyms

ABG	Autonomous Bougainville Government
ADB	Asian Development Bank
AIC	Accident Investigation Commission
AMIA	Asset Maintenance Imprest Account (TSSP)
AMSA	Australian Maritime Safety Authority
AOPE	Association of Professional Evaluators (PNG)
AP	Annual Plan
ARB	Autonomous Region of Bougainville
AS	Assistant Secretary
ASM	Additional Security Measures
ATSB	Australian Transport Safety Bureau
AusAID	Australian Agency for International Development
AUD	Australian Dollar
AWP	Annual Workplan
BAMIA	Bougainville Asset Maintenance Imprest Account (TSSP)
BTDP	Bougainville Transport Development Plan
CAA/CASA	Civil Aviation Authority PNG/Civil Aviation Safety Authority
CADIP	Civil Aviation Development Investment Program
CAPEX	Capital Expenditure
CEO	Chief Executive Officer
CSO	Community Service Obligations
CSP	Corporate Strategic Plan
CSTB	Central Supply and Tenders Board
DNP&M	Department of National Planning and Monitoring
DoT	Department of Transport
DoW	Department of Works
DSIP	District Services Improvement Program
DSP	Development Strategic Plan (PNG)
DTS	Department of Technical Services (ABG)
DV	Domestic Violence
EA	Engineers Australia
EMP	Environmental Management Plan
EPSP	Economic and Public Sector Program
ExCo	Executive Committee
FAS	First Assistant Secretary
FMA	Financial Management Adviser
FM	Financial Manager
FMIS	Financial Management Information System
FMS	Financial Management Specialist (TSSP)
GHAHRRG	Gender HIV&AIDS Human Resources Reference Group
GMDSS	Global Maritime Distress Safety System
GNSS	Global Navigation Satellite System
GoPNG	Government of Papua New Guinea
HR	Human Resources
HRD	Human Resource Development
HRIS	Human Resources Information System
HRM	Human Resource Management
IAS	International Accounting Standards
ICAO	International Civil Aviation Organisation
ICAO	International Civil Aviation Organisation Universal Security Audit Program
ICCC	Independent Consumer and Competition Commission
IT&C	Information and Technology/Information Technology and Communications
IEPNG	Institute of Engineers PNG
IFGI	Infrastructure for Growth Initiative
IFMS	Integrated Financial Management System
IPBC	Independent Public Bodies Corporation
ISP	Implementing Service Provider/Contractor
ISPS	International Ship and Port Facility Security Code
IT&C	Information Technology and Communications
JICA	Japan International Cooperation Agency

KPI	Key Performance Indicator
KRFG	Key Roads for Growth Maintenance Project
LAN	Local Area Network
LTD	Land Transport Division
M&E	Monitoring and Evaluation
M&ES	Monitoring and Evaluation Specialist
MoU	Memorandum of Understanding
MTDP	Medium Term Development Plan
NACS	National AIDS Council Secretariat
NASS	National Aviation Security Service
NEC	National Executive Council
NMSA	National Maritime Safety Authority
NPRM	Notice of Proposed Rule Making
NRA	National Road Authority
NRBMP	National Road and Bridge Maintenance Project
NRSC	National Road Safety Council
NTDP	National Transport Development Plan
NTS	National Transport Strategy
NWS	National Weather Service
OLC	Office of Legislative Counsel
PBAMIA	Public Bodies Asset Maintenance Imprest Account
PCE	Provincial Civil Engineer
PD	Program Director (AusAID Senior Policy Adviser – Transportation)
P4D	Partnership for Development
PEFA	Public Expenditure and Financial Accountability (PEFA) Framework
PGF	Performance Grant Funding
PGK	Papua New Guinea Kina
PM	Program Manager (TSSP)
PMC	Project Management and Supervisory Consultant
PNGASL	PNG Air Services Limited
PNGPCL	Papua New Guinea Ports Corporation Limited
PWM	Provincial Works Manager
PSIS	Performance Story Impact Study
PSMS	Public Sector Management Specialist
PSR	Performance Story Report
PSWDP	Public Sector Workforce Development Program
PTD	Plant and Transport Division (DoW)
PWM	Provincial Works Manager
RAMS	Road Asset Management System
RCE	Road Construction Engineer
RMC	Road Maintenance Contract
RS	Road Safety
SCBPM	Staged Capacity Building Practice Model
SEC	Secretary (of Department)
SEIS	Socio-Economic Impact Study
SGP	Strongim Gavman Program
SoE	State Owned Enterprise
SoS	Scope of Services
SPC	Secretariat of Pacific Community
TA	Technical Assistance
TAIA	Technical Assistance Imprest Account
TIAMWG	Transport Infrastructure Asset Management Working Group
TIPS	Transport Infrastructure Priority Study
TNA	Training Needs Assessment
ToR	Terms of Reference
TRL	Transport Research Laboratory
TSCMIC	Transport Sector Coordination, Monitoring and Implementation Committee
TSS-IP	Transport Sector Support Program – Implementation Phase
TSSP	PNG-Australia Transport Sector Support Program
USAP	Universal Safety Audit Program
USCG	United States Coast Guard
VOIP	Voice Over Internet Protocol
WAN	Wide Area Network

Section 1 EXECUTIVE SUMMARY

Australia has been providing long-term support to the Government of Papua New Guinea for the infrastructure sector through its aid program. Over time the focus of Australian assistance has shifted from an emphasis on maintenance to one of capacity building and institutional strengthening to support improved service delivery and value for money.

Agencies have from January – June 2011 made significant progress in most, if not all, targeted areas and also faced both predictable and unexpected challenges. Outlined below is a summary of activity progress covering the period January – June 2011 with a focus on agency outputs (deliverables). The activities listed report progress against the broader component framework established for the transport sector and the contribution of technical assistance to the sector. Risk considerations are outlined in Section 2. More comprehensive details and emergent and implementation issues are included in the activity tables in Section 3 (Parts A – F). The Financial Report is presented in Section 4.

Progress January – December 2010:

Land Transport

- 53% of National Priority Roads were in good condition (compared to 48% in good condition in the previous reporting period and a Partnerships for Development commitment of 100% of National Priority Roads in good condition by 2015).
- The tender for the design and construction contract for the Wabag-Wapenamanda section of the Enga Highway was completed and awarded. The Feasibility Study of Improvements Options and Re-Routing Options of the Highlands Highway was completed. The design and implementation review for the construction of up to four bridges in Oro Province was completed and the construction tender advertised. The contract for the Visual Road Condition Survey was signed and consultants mobilised.
- Reduction in contract value has occurred in certain provinces to support the capacity of the private sector. For TSSP funded projects, funding for minor procurement works has increased from previous years. Revisions to 2011 workplans are increasingly based on a province's ability to deliver which is resulting in additional funding being increasingly results based.
- All road and bridge maintenance workplans have been supplied and are recorded in a dedicated maintenance database. For TSSP funded projects, workplans have been produced with significant improvements in provincial workplans. TSSP expenditure has improved from the previous reporting period.
- The Department of Works presented the Terms of Reference and the schedule for the drawdown of powers to the Autonomous Government of Bougainville. The initial Bougainville Transport Workshop was held.
- The DoW list of laboratory equipment was prepared and agreed and tender documents finalised. The upgrade of the DoW materials laboratory is to be supported by the newly appointed TSSP Materials Testing and Quality Control Adviser.
- DoW improved contracting templates and oversight, and continues the focus on establishing a Contracting Unit and recruiting personnel. The quality and timeliness of reports to central agencies continues to improve. DoW contract documentation was updated and evaluation criteria relating to past performance strengthened.
- The Road Safety Discussion Paper was finalised and formally released. Work within the National Road Safety Council commenced on progressing 7 of the 42 recommendations relating to the National Road Safety Council.
- Draft concepts for the DoW District Services Improvement Program were developed and consultation is now set to commence in four pilot provinces.

- New voice and data cabling in the DoW office in Mt. Hagen was completed and an Internet Protocol Virtual Private Network upgrade to all remote offices is nearing completion. The DoW IT asset registry was reactivated.
- DoW Department Executive is now receiving detailed monthly reports on the financial status of recurrent budget maintenance projects. A half year Executive Summary Report is now being provided. The internal audit service at DoW concluded (funded by AusAID through TSSP) with all outputs and manuals received.
- In DoW, a suite of Human Resource policies (in excess of 40) have been drafted and are being reviewed by management. A Workforce Management and Development Strategy and Performance Management Strategy were developed.

Aviation

- 16 national airports have been certified to international standards (compared to a Partnerships for Development commitment of 22 national airports certified to international standards by 2015). Mendi and Girua Aerodromes have been recommended for certification and Daru aerodrome has recently undergone extensive capital works ahead of an inspection.
- The Airport Pavement Evaluation (Hoskins, Tokua and Madang) was completed; Improvements to the International Arrivals Domestic Airport Transfer Facilities were completed; and the Airport Certification Quality Assurance project was finalised. Navigational Aids replacement has been completed in Nadzeb and Kavieng will be completed by the end of 2011.
- The tender for the Baggage Screening Security Upgrade of the International and Domestic Airports was issued and the tender for the Building Management Systems Upgrade is in the final stages of preparation.
- Under the PNG-Australia Transport Sector Memorandum of Understanding, Airservices Australia commenced a mentoring activity with PNG Airservices Limited. The PNG Accident Investigation Commission has employed several investigators who have completed a training course in Australia. The PNG Civil Aviation Safety Authority sent an inspector to Australia for training.
- Civil Aviation Rule Part 108 was amended and associated Advisory Circular developed. A Notice of Proposed Rule Making was prepared and signed by the Minister. Four Civil Aviation Regulation Part 139 audits were conducted.
- A new suite of tendering manuals was developed to provide guidance to procurement procedures at PNGASL. In PNGASL the completion rate for performance reviews is now close to 100% (from 50% in 2010).

Maritime

- The major seaports of Port Moresby and Lae had an average ship turnaround time of 2.72 days during the reporting period (compared to 2.8 days in the previous reporting period and a Partnerships for Development target of 2 days by 2015). The marginal improvement was due to more effective hands on management of vessel calls, combined with defined Operational Standard Operating Procedures. It is anticipated that once the Mobile Harbour Cranes have been introduced and following a bedding down and training period, that turnaround time will improve markedly.
- The AusAID funded Global Maritime Distress Safety System was let out to tender and followed Central Supply and Tenders Board requirements.
- The new Lae Port operating format to support new equipment, has been supported through strengthening institutional capabilities to allocate additional resources and improve service delivery to customers.
- Roll-out of the new maritime security risk assessment process continued and two simplified security plans were assessed and approved. The PNG Ship Register increased to cover 28 ships and DoT issued three full International Ship Security Certificates.

- A full count of PNG Ports fixed assets was completed and a revaluation of assets has commenced. Asset accounting policies are being revised to align with international accounting standards. Six members of PNG Ports are now working towards their Certified Practising Accountant accreditation with the Adviser.
- In PNG Ports, employment contracts were rolled out to all employees with 90% of employees now on individual employment contracts. Two groups of marine pilots and marine engineers are working to develop the capacity of the organisation to meet pilotage commitments. A graduate development program for 2012 commenced.

Sector Wide Policy and Coordination

- TSCMIC met on three occasions and the Transport Security Sub-Committee was reconstituted and met on two occasions.
- Sector and central agencies worked with AusAID to review and update the Transport Schedule of the Partnerships for Development to bring it into line with the Medium Term Development Plan.
- TSSP Review and Design activities have been initiated with the completion of a procurement diagnostic that focussed on TSSP, the Implementing Service Provider, DoW, NAC and the Department of Technical Services, Autonomous Government of Bougainville.
- There was an underspend across all sectors. Expenditure in DoW was 41.7% of the workplan for the six month period. The timely letting of contracts, contractors' capacity and external factors have impacted on DoW expenditure being in line with workplans. Expenditure at Bougainville was 41% of the workplan for the period due to a major re-sealing project being deferred from Q2, 2011 to Q3, 2011. The organisational restructure and financial delegations in the aviation sector have impacted on the transfer of funds, with only 7% of workplan funds transferred in the period. Expenditure in PNGASL represented 21% of the approved workplan with the remaining expenditure on two main projects expected to be completed by year end.
- Eight workshops and 21 meetings were held concerning the implementation of the Staged Capacity Building Practice Model. The eight workshops, covering 60 counterpart participants (17F, 43M) resulted in six new Capacity Building Plans being established and six Capacity Building Plans renewed. Due to adviser and counterpart changes in the reporting period, as at 30 June 2011, there were 21 Capacity Building Plans reactivated across TSSP.
- A Project Management Training Model and tools were prepared for initial trialling and delivery to agencies.
- The 2012 Transport Sector Development Budget Submission was prepared. DoT successfully coordinated its preparation through a series of sectoral information workshops and numerous agency specific engagements. The submission was supported by TSCMIC.
- Design of the Road Traffic Bill 2011 and Road Traffic Regulation 2011 was completed and drafting commenced. The Bill and Regulation comprise the largest legislative drafting projects in the 2011 Legislative Drafting Plan and will provide for a single Road Traffic Authority. The *Small Craft Act 2010* was approved by the Parliament.
- 11 Inter Agency Technical Meetings were held around core technical areas supported by the transport program.
- The Transport Infrastructure Priorities Study was substantially completed with the model delivered in April 2011 and the draft final report received in June 2011.
- Major monitoring and evaluation activities included a project plan and procurement preparation for the Performance Story Impact Study; a two-day workshop reviewing TSSP Phase One learnings and success stories and developing outcomes and recommendations for TSSP Phase Two; and development of a series of communications products for stakeholders on the Socio-Economic Impact Study's quantitative and qualitative data for the study villages in each of the ten provinces.
- In relation to crosscutting policy implementation activities, domestic violence policies were approved and launched for PNG Ports and DoW; a checklist was developed to monitor gender and HIV&AIDS

requirements in DoW contracts; the transport program participated in AusAID's Gender Showcase; and agencies were assisted with budget planning for implementation of crosscutting initiatives.

- A proposal for a volunteering pilot project covering four separate volunteer assignments across three agencies was developed and endorsed by AusAID.
- All Annual Workplans for advisers categorised as low and medium priority were reviewed and revised in order to maximise impact. As part of this process, arrangements were negotiated and implemented for six advisers to provide technical advisory services across two or more agencies.

Section 2 RISK CONSIDERATIONS

Activities reported in the Transport Program Six Monthly Progress Report are project managed in accordance with the TSSP Risk Management Plan. In accordance with the plan, several activities are highlighted as at 30 June 2011 as areas of concern.

- Limited local contractor capacity and limited ability of Provincial DoW staff to prepare and implement contracts continues to present challenges to progress contracts in a timely manner. Project Management and Supervisory Consultants' performance in monitoring and administering contracts is not satisfactory at all times. Implementation of asset maintenance workplans requires ongoing close monitoring to ensure improved budget execution and quality of works. Communication, supervision and accurate reporting at provincial and central levels require further focus. Capacity Building in the Financial Cell at DoW has been impacted by a vacancy in technical advisory support.
- Regular updating of unit rates and coarse road condition data needs further development to ensure uniform and consistent data on road condition throughout the provinces.
- Provision of adequate resources to the Department of Technical Services in the Autonomous Bougainville Government is required for the Department to implement activities ahead of the drawdown of powers. Security concerns remain a significant issue to be addressed through further high level and sustainable engagement.
- Resource availability may limit the quantity and reliability of road accidents data entry. The number of road safety audits is impacted by the short supply of road safety engineers beyond the TSSP Road Safety Adviser.
- An experienced harbour regulatory resource is required to further build capacity and technical skills for the Regulatory Division of PNG Ports.
- The need to secure additional DoW funding may impact on the expansion plans of DoW's remote information technology network.
- Changes to ministerial appointments have affected approval times of key agencies plans including Annual Workplans, Corporate Strategic Plans and implementation momentum of the Legislative Drafting Plan. Non-resolution of governance issues in the Aviation sector has resulted in the delay of six aviation sector legislative drafting projects.
- Delays in the approval processes by the Independent Public Bodies Corporation and the Ministry of Public Enterprises has impacted on implementation of corporate plans, budgets and capital expenditure of state owned enterprises in the transport sector.
- The Volunteering Pilot Project is to be commenced but may not be fully implemented within Phase One of TSSP due to competing priorities on agency resources.
- While agencies have workplace gender and HIV&AIDS policies largely in place, agencies are yet to commit resources through their annual budgetary processes to support the implementation of crosscutting policies.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Sector Wide Policy and Coordination		
Section 1 reports on progress against the backdrop of Policy and Coordination. It integrates commentary on TSCMIC and its sub-committees; new and emerging policy frameworks of both the Governments of Papua New Guinea and Australia, and includes an update on the PNG-Australia Transport Sector Memorandum of Understanding and security and safety policy decision in the aviation and maritime sectors.		
Contribute to and support a review of TSSP Phase 1 and a Redesign of the Transport Sector Program Phase II (July 2012 onwards).	<p>Provided comment on the procurement diagnostic ToR and facilitated the procurement diagnostic mission in Q2, 2011. Provided comment on ToR for the Review and Design Mission team. Prepared briefing documentation for Review and Design Mission team.</p> <p>Undertook adviser/counterpart workshops to obtain agreed recommendations for aligning TSSP future activities more sharply towards program objectives.</p> <p>Workshop outcomes and recommendations were collated and provided to AusAID, Review and Design Mission team as well as all workshop participants. Refer further the Monitoring and Evaluation section of this report.</p>	<p>Prepare a meeting schedule for the Review and Design Mission team and coordinate partner agencies consultations with the mission; additional information will be sourced as required.</p> <p>Manage logistic arrangements for the Review and Design Mission team.</p> <p>Provide Review and Design Mission with written workshop outcomes and recommendations.</p> <p>Critique the findings and recommendations of the Review and Design Mission and support the Peer Review process as required.</p> <p>Improve aspects of the procurement process by Q3, 2011.</p>
Transport sector programs will continue to support meetings of and activities required by the TSCMIC and its sub-committees as directed by the Program Director (PD).	<p>TSCMIC meetings in the reporting period were held on 27 January, 31 March and 26 May 2011.</p> <p>As guided by the TSSP PD the Transport Sector Briefing to TSCMIC was expanded beyond GoPNG and Australia support, to include the technical assistance development initiatives of the Asian Development Bank (ADB), in Q1 2011.</p> <p>Transport Sector Programs have continued to support TSCMIC by providing informative presentations and reports useful to agency heads for internal decision making and for external briefings to other stakeholders. For example, the 2010 Annual Transport Sector Performance Report and the 2010 Annual Transport Sector Report were endorsed by TSCMIC in Q2, 2011.</p> <p>During Q1 and Q2, 2011 TSCMIC endorsed joint workplans developed under the Australian-PNG Transport Memorandum of Understanding.</p>	<p>Ensure Transport sector programs continue to support meetings of and activities required of TSCMIC.</p> <p>The PM will continue to provide the PD with written Transport Sector Program briefings by the tenth day of each TSCMIC meeting month.</p> <p>Ensure TSCMIC receives a copy of all TSSP/Sector Program reports for consideration/endorsement/comment.</p> <p>The PM will continue to assist agency heads identify issues relevant to the sector before TSCMIC meetings.</p> <p>Transport sector programs to provide succinct presentations summarising progress against approved workplans.</p>

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
TSSP will assist the TSCMIC prepare information for the media to promote the importance of the transport sector and its activities.	Upon request, TSSP assisted TSCMIC prepare information for the media. The Post Courier printed an article on 15 March 2011 " <i>Committee to work to speed up project</i> ", quoting the TSCMIC Chair outlining the Australian Government commitment to transport funding to complement GoPNG's budget allocation. The article reported on the structure and function of TSCMIC and the sub-committee groups: transport security and aid effectiveness.	TSSP will continue to assist TSCMIC prepare information for the media and program stakeholders and endeavour to encourage greater promotion of the importance of the transport sector in supporting economic and social development. TSSP will encourage all agencies, and provide support where possible, to provide information on their respective websites in accessible formats. Planning will be undertaken to stimulate TSCMIC and the importance of the transport sector and could include the engagement of guest speakers.
TSCMIC will review its performance against the 2011 Strategic Framework, and develop a Strategic Framework for 2012.	TSCMIC is scheduled to review its performance against the 2011 Strategic Framework in Q3, 2011.	TSCMIC will review performance against the 2011 Strategic Framework in Q3, 2011 and draft the Strategic Framework for 2012 in Q4, 2011.
Partnerships for Development - Retain the focus on agreed asset maintenance priority projects.	The focus on agreed asset maintenance priority projects is retained. Activity progress continues to be hindered by a number of internal agency constraints and external service provision. Constraints primarily relate to the limited capacity within the construction industry, agency's timely compliance with GoPNG processes and contract procurement, management and supervision.	Implementation of asset maintenance work plans will be closely monitored with the aim of increasing budget execution and quality of works. Within DoW, adviser focus will facilitate improved communication, supervision and accurate reporting at provincial and central levels.
Assist agencies to make the implementation adaptations required in supporting the MTDP and the NTS.	TSSP is assisting agencies to review and align agency corporate and strategic plans with the MTDP. ADB's consultant's progress in finalising the NTS has experienced several, ongoing delays. Final draft of the NTS is expected in August, 2011.	Encourage full participation by sector agencies in the development of NTS. Once the NTS is delivered and approved, it is proposed to rapidly support DoT move into an awareness phase.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
<p>Inter-Agency Technical Group Meetings will continue around core technical areas, and increase in importance for those agencies without full-time adviser support (a minimum of 12 will be held during 2011).</p>	<p>Gender HIV&AIDS Human Resource Reference Group (GHAHRRG) This group had one meetings in the reporting period: 15 Feb 2011 Topics discussed:</p> <ul style="list-style-type: none"> • Preparations for participating at AusAID's Gender Showcase • International Women's Day planning • Planning and priorities in 2011 • Terms of Reference for the Gender, HIV AIDS Human Resources Reference group (GHAHRRG) <p>Attendance: 12 (6M & 6FM)</p>	<p>Meeting of GHAHRRG next scheduled for 28 July 2011 and will include presentations by the National AIDS Council Secretariat (NACS) and the Department of National Planning & Monitoring.</p> <p>A request to revive the Information Technology and Communication Group meetings in Q3 and Q4, 2011 has been discussed and is subject to further consultation with transport sector agencies.</p> <p>Three additional meetings of the Policy Group are planned in Q3 and Q4, 2011.</p> <p>The Asset Management Group proposes the following themes for two additional meetings in 2011: Using the Infrastructure Management Manual; and Revisiting transport sector agency asset management policy and strategy.</p> <p>The Transport Sector Lawyers Network has listed agencies mechanisms and strategies for implementing transport legislation, particularly the <i>Protection of Transport Infrastructure Act</i>, for an upcoming meeting.</p>

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
	<p>Transport Sector Policy Planning Group Two meetings were held in the reporting period: 15 March 2011 Topics: Cross Sectoral Policy Development Issues, update on TIPS and the National Transport Strategy and update on Economic Corridor Development Authority. Attendance: 8 (8M & 0F) 31 May 2011 Guest presentation, Kovina Kinawa (DoT), on the progress of the Sector Development Budget. Attendance: 10 (9M & 1F).</p>	
	<p>Finance Working Group The Finance Group organised a workshop on 19 May 2011. Wayne Jones, a Senior SGP Advisor with the Auditor-General's Office and Maurice Ellvey, EPSP Finance and Administration Adviser made presentations on Internal Control Framework, Budgeting and Financial Management, Role of Internal Audit, Asset Management, and the Common Audit Findings and Issues. Attendance: 30 (20M & 10F).</p>	

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
	<p>Transport Infrastructure Asset Management Working Group Two Transport Infrastructure Asset Management Working Group meetings were convened in Q1 & Q2 2011: 18 March 2011 Theme: Considering Impacts of Climate Change in planning for management and maintenance of transport infrastructure. Presentation by Manager, Environment, DoW – Mr Willie Asigau; Attendance: 18 (17M & 1F) 17 June 2011 Theme: Engaging Communities in Management and Protection of Transport Infrastructure. Presentations: DOT Legal Team – Update on status of Protection of Transport Infrastructure Strategy and Legislation; Ms Dinah Omenefa, Manager Community Development Program, NMSA, "NMSA Lighthouse Protection Program"; Mr Roy Mumu, CEO NRA "NRAs Community Engagement Program". Attendance: 30 (26M & 4F).</p>	

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
	<p>Transport Sector Lawyers Network held two meetings in Q1 and Q2, 2011.</p> <p>31 March 2011 Topics discussed:</p> <ul style="list-style-type: none"> • Update on Legislative Drafting Plan • Litigation Issues affecting each Agency • Reports and Updates from Agencies present. <p>Attendance: 6 (5M & 1F)</p> <p>23rd June 2011 Topics discussed:</p> <ul style="list-style-type: none"> • Update on Legislative Drafting Plan • TSSP M&E Specialist update on the Performance Story Report • Litigation issues affecting each agency. Reports and updates from agencies present <p>Attendance: 14 (11-M & 3-FM)</p>	
	<p>Transport Sector Human Resources Working Group</p> <p>24 March 2011: Topics discussed included Public Sector Workforce Development Program Graduate Development Program and ongoing HR issues within agencies. Attendance: 6 (5M & 1 F)</p> <p>16 June 2011: Topics discussed included Public Sector Memorandum of Understanding, Transport Sector Volunteering Pilot Project and the Special International Market Allowance. Attendance: 7 (6M & 1F)</p>	
GoPNG agencies will finalise agreements that 'draw down' power/s to the ABG as a basis for future planning and support.	This process is ongoing. In Q2, 2011, DoW presented the ToR and the schedule for the drawdown of powers to the ABG Department of Technical Services (DTS).	The ABG and DTS have several activities to accomplish before the drawdown of powers can be concluded. One of the major requirements is provision of adequate resources for the DTS to enable it to take on additional responsibilities. Support to planning and negotiations will be provided.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Subject to ABG support and agreement, TSSP will support the development of a Bougainville Transport Development Plan (BTDP), as requested by the ABG.	The initial Bougainville Transport Workshop was held in Buka following the Local Coordination Committee meeting on 7 June 2011. The BTDP workshop was attended by 17 participants representing the ABG Administration, DoW and AusAID. The ABG Minister for Works, Carolus Ketsimur, attended the workshop. The workshop agreed to develop a Terms of Reference for the development of the BTDP.	Development of the ToR is in progress. It will include steps and processes for developing the plan including a schedule to update the current intermodal transport asset register and an asset condition assessment.
SGP		
Finalisation and/or implementation of agreed Transport Sector MoU Workplans for the aviation and maritime sub-sectors	There are 16 approved projects under the MoU to date. Airservices Australia commenced a 'mentoring' activity with PNG Airservices Limited in Q2, 2011. This is expected to continue for two years. The Accident Investigation Commission (AIC) has employed several investigators who have completed a training course in Canberra with the Australian Transport Safety Bureau (ATSB). These investigators have been deployed to a recent helicopter accident. The ATSB will continue to provide support to report writing and ongoing training activities. The AIC procedural manual has been completed and is being implemented within the organisation. PNG CASA sent an inspector to CASA Australia for training.	An NMSA/AMSA Search and Rescue proposal is expected by Q4, 2011. Agencies are in the process of identifying and costing potential future activities to 2015. The outcomes of this will inform discussions at the Senior Officials Meeting in Brisbane in November 2011. Any potential changes to the MoU will also be discussed at this meeting. An officer for the Department of Transport will attend a four week mentoring program with the Office of Transport Security in Australia in Q4, 2011.
Establish a Transport Security Policy Unit, within the Department of Transport (DoT) to analyse and oversight transport security issues	Position descriptions, office structure and forward workplan have been finalised.	A security expert is in the process of being seconded to the Department of Transport to assist in moving the establishment of the unit forward. This secondment is dependent on an organisation agreeing to release the officer. The Department will need to seek approval for the current structure of the unit.
Develop a corrective action plan based on the findings of the International Civil Aviation Organisation (ICAO) Universal Security Audit Program (USAP) report, and implement and monitor required corrective actions.	Corrective action plan (CAP) developed and submitted to ICAO within the agreed deadline. ICAO accepted the CAP without change. Implementation of the CAP is approximately 33% complete.	It is expected that the CAP will be completed before the end of 2011. The work required to put in place all the actions committed in the CAP will be finalised before the end of 2011.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Contractor Services		
Section 2 reports on Program Management activities (recruitment, audits, the provision of reports, and activities undertaken in coordinating team activities). The section provides a synopsis for subsequent sections which provide more in-depth reporting.		
(Re)recruitment will occur for the positions of Program Manager and Assistant Program Manager; and in association with any other vacancies that may occur and/or needs that emerge and are agreed.	Assistant Program Manager commenced Q1, 2011 and the Program Manager commenced Q2, 2011. Through the Program Director, AusAID approval is sought for all technical assistance recruitments and for proposed advertising. Adviser positions are recruited as required and the AusAID Adviser Remuneration Framework is implemented for all new technical assistance positions.	Adviser positions that become vacant will be recruited with AusAID approval. Vacancies to be considered in context of TSSP redesign. A draft Transition Plan Q3, 2011 will consider the potential decrease in TSSP team members as end of Phase One approaches and identify approaches and strategies to provide agencies and the Program with key services to June 2012.
Progress discussions within and across transport sector line agencies with regard to the use of alternative support strategies as advisers exit, and as planned in 2007 as part of the broader Capacity Building Framework.	Discussion within and across transport sector line agencies is progressing; modalities and constraints of alternatives to technical assistance are being explored, including inline and cross charging delivery models. Refer further information below.	Discussions to be continued to determine alternative support strategies to maintain delivery of support services.
Seek AusAID approval for all proposed strategies, given the context of the Treaty Review and TA Review.	TSSP continues to seek AusAID approval for all proposed strategies. By-Exception Reports initiate and maintain discussion around proposed strategies, key planning and implementation issues. Program reports are finalised by the Program Manager, forwarded to the Program Director for endorsement and AusAID for approval.	
TSSP Senior Management Team meetings will occur twice each month, to share information, problem solve and forward plan.	TSSP Senior Management meetings occur fortnightly to review administration, progress against agreed workplans and to discuss items of key interest. A key outcome of such meetings in Q2, 2011 was the design and implementation of a two day annual workshop to support the review and design of TSSP Phase Two. Administration personnel update task lists (activity and timelines) each fortnight for Program Manger review and monitoring.	TSSP Senior Management Team meetings will continue to occur fortnightly and weekly when needed, to discuss, plan and monitor critical program issues.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Agency-based adviser groups will meet weekly/fortnightly, with Senior Management Team members routinely attending and contributing to these meetings.	Adviser-based groups within agencies met fortnightly with Senior Management Team members attending on a needs/interest basis. Minutes of meetings are forwarded to the Program Manager and to the Program Director for noting. The Program Manager attended meetings as circumstances dictated to exchange information and bring Program issues/planning to advisers.	Agency-based meetings will continue fortnightly and be organised by Agency Coordinators.
Meetings with transport sector agency heads will occur monthly to monitor progress, share information and forward plan.	Meetings between the Program Manager and individual agency heads have been maintained. Meetings have occurred more frequently than bimonthly to discuss key Program issues, Program progress, spending against budget and to introduce new advisers.	Meetings with transport sector agency heads will continue to occur monthly to monitor Program progress and share information.
Communication strategies with internal and external stakeholders will be improved, and a TSCMIC communication strategy introduced.	Strategies to gradually increase the engagement with internal and external stakeholders have been maintained and resulted in an increase in contributions to the TSCMIC bimonthly Transport Sector Program briefing.	A TSCMIC formal communication strategy will be drafted Q4, 2011.
TSSP internal newsletter will be distributed monthly.	TSSP internal newsletter 'Tok-Out' continues to be distributed monthly. The quality and usefulness of the information has expanded to list forthcoming Inter-agency Technical Group meetings and workshops. Feedback from readers informs each subsequent publication.	'Tok-Out' will be produced and circulated monthly.
AusAID-convened Team Leader Meetings will be attended and supported.	Team Leader meetings have been attended/supported by the Program Manager or Deputy Program Manager with briefings/summaries provided by email to advisers.	AusAID convened Team Leader Meetings will be attended and supported.
AusAID/ISP Performance Meetings will be scheduled quarterly.	The senior ISP representative has continued to meet with the Program Director and AusAID quarterly. The Implementing Service Provider (ISP) Contractor Performance Report was prepared Q2, 2011 for AusAID and TSCMIC.	Submit to AusAID for consideration the Implementing Service Provider (ISP) Contractor Performance Report covering the period July 2010 to June 2011 in Q3, 2011.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Donor harmonisation initiatives will continue through the Program Director.	Through the Program Director, TSSP continues to liaise with other AusAID programs and with development partners, in particular the multilateral lending agencies the Asian Development Bank (ADB) and the World Bank. Both are consistent contributors to the Transport Sector Program Briefing presented bimonthly to TSCMIC. TSCMIC Aid Effectiveness Sub-Committee has not met in the reporting period.	Referring to good practice standards/principles in development assistance delivery and management the PD and TSSP will maintain an open working environment with development partners to foster stronger cooperation across the sector. This will include providing and sharing analytical work that will strengthen GoPNG's ability to assume a greater leadership role and to take ownership of development results. Additional effort will be made to engage collective and transparent forms of dialogues with other development partners, for example with the Japan International Co-operation Agency (JICA) to enable shared sector reporting to TSCMIC. Provide support for the TSCMIC Sub-Committees on Transport Security and Aid Effectiveness. To support the revitalisation of the Sub-Committee for Aid Effectiveness by encouraging the Department of National Planning and Monitoring to take a greater role in the sub-committee activities.
Continue to review and monitor the safety and security services provided to the Office.	TSSP maintains a contract with an external security service provider to safeguard the office environment, to provide security logistics, airport transfers, site inspections of adviser's accommodation, radio monitoring, emergency assistance and incident debriefs. Security services were provided to all core and advisory personnel and their immediate families.	TSSP will continue to keep abreast of social and security issues through communication with the contracted security provider, advisers, communities and AusAID and inform advisors, their families and staff of appropriate safety measures. All new advisors receive a security briefing and advice on the security of accommodation prior to occupation. In Q3 and Q4, 2011, security support mechanisms are to be improved with the upgrade of hand-held radios.
Report all security incidents to the Program Director and through the Program Director to AusAID.	Security incidents continue to be reported to AusAID through the Program Director. During the six month period, three (3) medium level incidents were reported.	Security incidents will continue to be reported to AusAID through the Program Director.
Review the Security, Safety and Emergency Plan.	Advisors, accompanying family and visitors are introduced to the Security, Safety and Emergency Plan at the time of induction (occurred three times in the reporting period). The Plan is uploaded on the TSSP website.	The Security, Safety and Emergency Plan will be reviewed Q3, 2011.
Reporting - Handover/Completion Plan.	No progress to date.	Handover/Completion Plan in draft form Q4, 2011.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Reassess responsibilities in line with TA Review decisions (including Terms of Reference and Annual Work Plans) for advisers categorised as low and medium priority, to assess what adjustments are required to maximise impact within pre-determined timeframes.	All Annual Work Plans for advisers categorised as low and medium priority were reviewed and revised, in order to maximise impact within pre-determined timeframes. The revised Work Plans were approved by the relevant agency heads and the Program Director and are in operation across the program.	Ongoing monitoring of adviser achievements, using existing standard reporting arrangements, against the revised Work Plans. Upon departure of advisers from the program, the continuation of technical assistance is reviewed and submitted to AusAID for consideration.
Following the TA Review, initiate activities designed to rebuild confidence and commitment among stakeholders and team members.	Individual information sessions conducted by the Program Director and Program Manager with program agencies heads and advisers. The outcomes of the TA Review, technical assistance strategies and ongoing program priorities were discussed. A one-day Adviser and Specialist team building exercise was conducted following the TA Review. Further stakeholder engagement activities were undertaken prior to the Review and Design mission.	
Finalise arrangements for nominated advisers to provide support services across two or more agencies, in an effort to assist agencies maintain priority activities in the context of the cessation of some adviser roles.	While reviewing and updating Annual Work Plans, arrangements were negotiated and implemented for six (6) advisers to provide services across two or more agencies. These include DoW IT&C Adviser providing inputs to aviation agencies and DoT; PNGPCL FM Adviser providing inputs to DoT and PNGASL; DoW HR Adviser providing inputs to DoT; NRSC RS Adviser providing inputs to DoW; PNGASL PM Adviser providing inputs to NAC/CASA and PNGPCL HR Adviser providing inputs to PNGASL.	Ongoing monitoring of adviser progress on a multi-agency basis, using existing standard reporting arrangements.
Induction programs will be scheduled as required, with content reviewed and revitalised.	Induction programs for both program personnel and counterparts continue to be scheduled when new TSSP personnel (both national and international recruits) commence. Induction processes were reviewed and revitalised, resulting in increased priority on arrival of security, greater thematic linkages between sessions, more structured assistance on living issues, and more considered approach towards delivery and retention of information.	The induction program will continue to be refined as necessary, in line with the results of induction evaluations.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
The TSSP website will be reviewed and revitalised.	Website was reviewed and a set of minimum changes was identified in order to eliminate some errors and bring the site up-to-date. The changes were subsequently implemented.	Further enhancements to be developed to revitalise/enhance the website in accordance with a program communications strategy that will be developed.
The Implementing Service Provider (ISP) will continue to provide information technology expertise twice per year to support hardware and software installation and provide a problem-solving service for users.	There was reduced necessity for an in-country mission to PNG by the ISP's Information Technology Manager in Q1 and Q2, 2011. Information Technology requirements were able to be met by the in-program expertise of the Capacity Building Specialist and Program Support Officer. The ISP's Information Technology Manager provided external support from Australia on several issues regarding server back-up and virus security in the reporting period.	Consideration will be given to an in-country mission in Q4, 2011 by the ISP's Information Technology Manager to assist with information technology planning as part of the transition / hand over arrangements for the end of TSSP Phase One.
Prepare and gain approval to release reports that include the 2010 Transport Program Annual Report, 2011 Transport Program Six Monthly Progress Report, Updated Program Procedures Manual and Technical Assistance Stocktakes. Complete the 2012 Transport Sector Annual Plan.	The 2010 Transport Program Annual Report was approved by AusAID in February 2011 and endorsed by TSCMIC in May 2011. The Transport Program Six Monthly Progress Report was prepared in June-July 2011. The Program Procedures Manual was updated in April 2011 and a Technical Assistance Stocktake was submitted to AusAID in June 2011.	The Annual Report will be developed in mid/late 2011 and be submitted to TSCMIC in February 2012.
Consider the recommendations of a procurement diagnostic and make improvements to procurement processes and procedures. Submit Monthly and Quarterly Reports and coordinate the Independent Audit on TSSP Management of Funding Facilities.	See Section 4 of this report for further details. Procurement Diagnostic activities were supported during the reporting period and initial procurement recommendations were reviewed pending further feedback from AusAID. Six monthly and two quarterly reports submitted. Independent Audit tendered, coordinated and completed.	Refinements to the TSSP financial manuals for urgent items identified in the Procurement Diagnostic will be undertaken in Q3, 2011. TSSP is developing an additional mechanism in the form of a checklist template which confirms good procurement practices are observed and verified. Additional refinements will be incorporated in Q1 and Q2, 2012 as part of the TSSP Phase Two transition process.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
In NMSA, improve financial reporting to executive management and Board.	Scope of services drafted for a possible volunteer assignment covering Financial Management Reporting at NMSA and PNGPCL as a combined assignment. It is proposed that the volunteer will work with the NMSA Executive Manager Corporate Services and NMSA Board Members to improve the financial reporting system and capture the outcome for inclusion in the NMSA Financial Management Manual, the NMSA Policies, Practices and Procedures Manual and the NMSA Board Charter. The assignment is included within a volunteering pilot project proposal which has been endorsed by TSCMIC and AusAID.	Commence implementation of a volunteering pilot project in accordance with available resources under Stage 3 of the Transport Sector Capacity Building Framework.
In PNGPCL, improve and automate financial reporting to executive management and Board.	Scope of services drafted for a possible volunteer assignment covering Financial Management Reporting at NMSA and PNGPCL as a combined assignment as described above.	Commence implementation of a volunteering pilot project in accordance with available resources under Stage 3 of the Transport Sector Capacity Building Framework.
Initiate transport sector-wide organisational development pilot projects, under Stage 3 of the Transport Sector Capacity Building Framework, initially focussing on institutional twinning, volunteering and graduate projects.	A proposal for a volunteering pilot project covering four separate volunteer assignments across three agencies (DoW, NMSA and PNGPCL) was developed and endorsed by AusAID in Q2, 2011. The proposal was subsequently submitted and endorsed by TSCMIC in May 2011.	Commence implementation of the volunteering pilot project before end of phase. To develop and undertake a pilot project for at least one other Stage 3 activity by end of phase.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Prepare and Manage the TA Facility: Strengthen Public Sector Management		
Section 3 reports on progress against TSSP Component 2: Prepare and Manage the Technical Assistance Facility: Strengthen Public Sector Management. Agency progress is reported under sub-sections respectively titled: Policy and Planning, Legislative Reform and Legal Issues, Information Technology and Communication, Financial Management, Human Resources, Technical Assistance and the Management and Delivery of Asset Maintenance Programs.		
This component reports on policy and planning activities within transport sector agencies.		
DoT		
Review agency corporate/strategic plans so that each reflects and incorporates the requirements of the <i>Vision 2050</i> pillars and the MTDP priorities; and there is increasing evidence of targets and measurable indicators.	The DoT Corporate Plan was launched on 25 March 2011. The Department actively considered the Medium Term Development Plan priorities in developing the Transport Sector Development Budget Submission for 2012. Agencies for which submissions were coordinated were actively encouraged to provide clear measurable indicators against which to measure implementation. The quality of indicators continues to be an area in need of substantial enhancement. To support effective monitoring of implementation the Department has developed (and approved) a reporting template that will form the basis of reporting future implementation progress.	No review in 2011 of the agency Corporate Plan has been scheduled at this stage. The Development Budget will be delivered in November. As a precursor to its delivery, DoT will further develop its database to enable rapid reporting of actual appropriations against the funding requested. An emerging issue in this regard is the limited capacity within the MIS unit to provide the necessary support in transitioning the datasets to a more flexible format. Once the Development Budget has been delivered in November it is proposed to issue the templates to each agency receiving funding as a precursor to implementing regular reporting against the funded projects.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
<p>Assist agencies to complete and gain approval for the NTS, and extend the mandate of TSCMIC to oversee its implementation. Complete and seek National Executive Council approval for the National Transport Strategy (NTS) and the related Medium Term Transport Plan (MTTP); with an associated mandate for TSCMIC to continue coordinating and reporting on the implementation of these key policy frameworks.</p>	<p>During the first two quarters of 2011 development of the National Transport Strategy (NTS) and first Medium Term Transport Plan (MTTP) progressed gradually but at a slower pace than hoped. Delays with the NTS are partially attributed to the need to incorporate the strategic direction provided by the Medium Term Development Plan and this document was not released for incorporation until early 2011. Similarly the development of the MTTP (substantially the investment program) was delayed pending the incorporation of information and methodologies provided through the Transport Infrastructure Priorities Study. The methodology and associated model were substantially completed in April 2011. During the reporting period the consultant engaged to support delivery of the NTS undertook consultation with agencies on an issue specific basis. Activities during the reporting period have predominantly focussed on communicating some of the key themes of the strategy and ensuring that it is aligned with the Government's visions and strategy documents. A presentation at the DNP&M alignment workshop (3 June 2011) highlighted this alignment.</p>	<p>It is anticipated that the consultant will make a final draft NTS and MTTP available for circulation by the end of August 2011 with a view to having these documents finalised in preparation to be submitted for approval in September 2011. This timeline has been the subject of constant revision and deferral to date. Once the NTS is delivered and approved, it is proposed to rapidly move into an awareness and marketing phase. Some funding was provisionally allocated for this in 2011 and a submission for additional funding in 2012 has been made.</p>
<p>Complete and gain endorsement of the 2010 Transport Infrastructure Priority Study (TIPS).</p>	<p>The Transport Infrastructure Priorities Study was substantially completed during the six month reporting period with the model delivered in April 2011 and the draft final report received in June 2011. The draft report has already assisted DoT with the framing of the sectoral Development Budget Submission by providing a quantitative assessment of the relative merit of different maintenance programs and proposed new constructions. The second round of Provincial Consultation was substantially undertaken during the reporting period gaining a strong endorsement of the approach being taken by the study and a desire by administrations to access the model.</p>	<p>During Q3, 2011 the TIPS study will be finalised. Remaining outstanding work comprises finalisation of the final report (editorial changes) and completion of the provincial consultations (visit to one outstanding province). During the coming period the study will be submitted to TSCMIC for endorsement and a strategy for the future management of the model including access, updating and use, is proposed to be developed.</p>

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
<p>Work to optimise transport sector development budget allocations, through the preparation of a 2012 consolidated transport sector budget submission and the associated activities to support the submission through the approval process. Prepare and submit the third coordinated transport sector development budget submission.</p>	<p>The 2012 Transport Sector Development Budget Submission was submitted by the 30 June 2011 deadline set by the Department of National Planning and Monitoring (DNP&M).</p> <p>During the reporting period, DoT successfully coordinated its preparation through a series of sectoral information workshops and numerous agency specific engagements. Agency submissions were analysed, consolidated and prioritised within a rigorous framework. DoT also prepared an overview highlighting the key issues the sector faces in terms of funding and capacity constraints.</p> <p>The submission was supported by TSCMIC and has received favourable feedback from officers within sector agencies. DNP&M has suggested it will use the submission as an example for other sectors to follow.</p>	<p>During the next six months DoT will present the submission to the Budget Screening Committee (BSC). Two key themes identified include: (1) the need for prioritisation of maintenance, rehabilitation and new construction in that order; and (2) that failure to deliver the requested funding will be directly related to a reduced ability to deliver on the Medium Term Development Plan targets.</p> <p>As a precursor to delivery of the Development Budget, DoT will be developing its database to enable rapid reporting of actual appropriations against the funding requested and proposes to attend the "budget lockup". Following the budget, DoT proposes to issue monitoring templates to each agency receiving funding to pre-position agencies for reporting in 2012.</p>
DoW		
<p>Review agency corporate/strategic plans so that each reflects and incorporates the requirements of the <i>Vision 2050</i> pillars and the MTDP priorities; and there is increasing evidence of targets and measurable indicators</p>	<p>1. Progress against the Annual Activity Based Workplans: Development impacted by competing Minister and Secretary corporate priorities in the first half of 2011. The revised Corporate Strategic Plan (derived from <i>Vision 2050</i>, DSP, MTDP and NTS) was used to identify core strategies and corporate outcomes which have now been incorporated into the Annual Plan.</p> <ul style="list-style-type: none"> • Branch planning and budget templates were developed and provided to all Branch and Activity heads and are being further developed as part of 2011 Mid-Term Budget review. • Annual Activity Based Workplans remains dependent on the timely creation of Branch Workplans and progress has been slow and inconsistent. • 2012 DoW Recurrent Budget was developed in the absence of comprehensive workplans. 	<p>Changes to Ministerial appointments continue to delay approval of the 2011 Annual Workplan and Corporate Strategic Plan and associated key strategies, with a need to consult with and gain sign-off by each new minister before releasing the plan (Ministerial changes have occurred in December 2010, June 2011 and August 2011).</p> <p>Further refinement of strategies and the development of associated corporate policy to support the strategies will be a priority in Q3 and Q4, 2011.</p> <p>PTD Business Plan has been in final draft stages for some time awaiting further information from PTD. Further progression of the plan with a possible launch towards the end of Q3, 2011 is anticipated.</p>

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
	<p>2. 2012 Directions Program (annual planning cycle) remains impacted by the delay in finalising workplans which in turn impacts ongoing coordination of budget and planning activities. The 2012 Direction Program will support improved monitoring and evaluation of performance across DoW and assist corporate reporting.</p> <p>3. DoW Corporate Strategic Plan 2011-2015:</p> <ul style="list-style-type: none"> • The new Corporate Plan was generated following a mid-term review and will be critical to addressing the significant changes reflected by <i>Vision 2050</i> and associated national and sectoral plans and policy documents. This plan incorporates a number of significant innovations cascading current GoPNG plans and policies to a Plan on Page (POP), which is expanded to provide additional detail including Performance Measures and Lead Responsibilities. • A set of 7 Key Strategies are under development to accompany and support implementation of the Corporate Strategic Plan. These include: <ul style="list-style-type: none"> ○ Corporate Communications (final draft) ○ Service Delivery Strategy (final draft) ○ Workforce Development (final draft) ○ Workforce Housing (under consultation) ○ Financial Management (under consultation) ○ Whole of Life Asset Management (drafted) ○ Information Technology (under development). <p>4. Plant and Transport Division Business Plan 2011-2015: Supports PTD to become a Self Funded Trust entity and consultation and facilitation between Policy and Planning Branch and PTD has resulted in a final draft plan, which is currently with PTD for final review and submission to the Secretary.</p>	

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Progressively implement the requirements of the DoW 2011-2015 Corporate Strategic Plan and its five (now 6) Key Corporate Strategies, with active monitoring and progress reporting documented.	Plan implementation cannot be undertaken until such time as CSP is signed off by the Minister.	<p>Elements of the CSP and Key Strategies are being included into 2012 AWP templates.</p> <p>Development work is ongoing in regard to the Service Delivery Model Pilot which will be a critical implementation vehicle for CSP.</p>
Implement, actively monitor and provide quarterly progress status reports on the obligations of the DoW 2011 Annual Activity-Based Work Plan (cascaded from the 2011-2015 Corporate Strategic Plan); and develop a 2012 Annual Activity-Based Work Plan.	Active Monitoring can only be undertaken following Ministerial approval and implementation phases.	<p>A scheduled follow up workshop on Performance Indicators and Performance monitoring is planned for Q3 and Q4, 2011.</p> <p>Ongoing alignment and synchronisation of reporting tools is taking place with the PC Adviser in DoW.</p>
Implement the requirements of the DoW Communications Strategy, including the development and trialling of a mechanism to improve DoW communication with key stakeholders.	Strategy further developed in the reporting period but yet to be approved as part of Corporate Strategic Plan suite of documents.	Additional refinement and consultation of the Strategy is being undertaken pending Ministerial approval.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
<p>Explore the potential to pilot a Provincial/District Project, facilitated by the Department of Works proposed to promote partnerships and involving a revised service delivery model and smaller tender parcels; and the development of an agreed prioritisation and asset management process for Provincial and District non-national road infrastructure works through the District Services Improvement Program (DSIP). Development of capacity building strategies that facilitate greater participation and accountability at Province/District level in the management of land transport assets. Promotion and enhancement of strategic partnerships (NRA, central agencies, development partners, provincial and local level governments).</p>	<p>Project has been discussed at two PLLSMA Meetings and is broadly supported from within and outside DoW. Draft concepts have been developed and consultation is set to commence with four Pilot Provinces in Q3 and Q4, 2011. Completion of Project Design and Budget scheduled for budget submission in March 2012 for 2013 implementation. PWMs have been assisted by TSSP Advisers in relation to interactions and planning with NRA – this has resulted in better coordination of specific maintenance issues in a number of provinces. DoW contract documentation now contains a section on the employment of local people and gender equality (20%). Implementation of these contract requirements varies between provinces and contract types and requires further development of monitoring and enforcement mechanisms.</p>	<p>Ongoing research into existing systems and projects in provinces will be undertaken for the remainder of the year. This will include:</p> <ul style="list-style-type: none"> • Ongoing discussion at PLLSMA Meeting end of September, 2011 • Briefing to Provincial Governors Meeting end of September, 2011 • Development of Pilot Outcomes Matrix Sep/Oct 2011 • Briefing to PWMs at Field Staff Conference in October, 2011. • Detailed discussions with Provincial Governors in pilot provinces Q3/4 2011 • Exploration of “smaller contracts” feasibility Q4, 2011 2011

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
PNGPCL		
<p>Review agency corporate/strategic plans so that each reflects and incorporates the requirements of the <i>Vision 2050</i> pillars and the MTDP priorities; and there is increasing evidence of targets and measurable indicators.</p>	<p>Each Division within PNGPCL has completed their Strategic Plans to the draft stage. These encapsulate a number, and in some cases all, of the 12 strategic imperatives of PNGPCL at a corporate level, which in turn are aligned to the 7 key pillars within <i>Vision 2050</i> and are cognisant of the critical issues identified with MTDP 2011-2015. This includes rehabilitation and upgrade of all national ports and ports facilities, and the relocation of Port Moresby and Madang ports to ease congestion. The recent investment in efficient cargo handling equipment and reconfiguration of physical infrastructure in Port Moresby and Lae will enable PNGPCL to meet the increasing volume of cargo and enable more efficient passage of imports. KPI's will be set for the managers of the assets recently acquired to support quantification of efficiency improvements.</p>	<p>Extensive delays remain in the approval by IPBC and the Ministry of Public Enterprises of corporate plans, budgets and capex and effect current and upcoming projects. Projects do commence at times without all requisite approvals.</p> <p>The low level of engineering capacity of both PNGPCL and outside contractors to undertake projects has reduced the ability to deliver approved projects.</p>
<p>Define and gain Executive Management approval for the role and scope of the Regulatory Division of PNG Ports.</p>	<p>The Regulatory Division still remains in the scoping stage. Progress has occurred in the reporting period in defining the roles of the Division going forward. A number of internal policies and procedures have been introduced and are being utilised daily.</p> <p>The TSSP Lae Operations Advisor assisted the PNGPCL HMS Division in the preparation of their strategic operational plan. The Adviser worked with the pilotage division counterparts and staff in the elaboration of the pilotage training syllabus and the pilotage exemption rules for PNG harbours and jurisdictional waters.</p> <p>Harbourmaster team counterparts and staff were supported in the preparation of draft guidelines and procedures for operations of LNG/LPG carriers in PNG jurisdictional waters.</p> <p>Within the guidelines for the renewal, maintenance and upkeep of infrastructure of port facilities, access channels, channel markers and coastal lights within PNG ports and harbours, the Adviser assisted the Harbour Management team in the preparation of the navigation aids assessment and budget workplan for 2012.</p>	<p>This Division still needs to build its operational and institutional strength. An experienced harbour regulatory resource is required along with further capacity building and technical skills. With the assistance of the TSSP Lae Operations Advisor, and third party consultants, the division is developing its operational and institutional strength.</p> <p>A MoU between PNGPCL and NMSA is envisaged to more clearly define the respective jurisdictions of the agencies relating to regulatory activities.</p> <p>PNGPCL aims to explore opportunities in the MoU Framework to assist needs analysis and capacity building in harbour regulatory services. Support activities for harbour management in Port Moresby and Lae will be undertaken in the second half of the year.</p>

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Embed corporate planning processes within PNG Ports, commencing with the development and approval of a 2011-15 Strategic Plan.	Each Division has prepared their own Strategic Plan, with support services aligning and connecting with the Operations Division. Further initiatives are required to ensure sustainability.	The scope of the Strategic Plan has increased and progress protracted due to ongoing negotiations between IPBC and the implementing contractor. Resolving these issues and progressing with the plan is a priority.
Review Community Service Obligation (CSO) options for the maritime sector.	The review remains in progress, with a further investigation considering options for PNGPCL to obtain funding as an entity rather than on a piecemeal basis. The study also considers the structure for PNGPCL, which may include placing CSOs in a standalone company to increase transparency and assist with equity raising.	Further consultations are required in determining the appropriate structure for CSOs in the maritime sector. Options canvassed include funding the obligations through a levy on cargo movement, governance structures and recommendations developed in the National Transport Strategy.
PNGASL		
Review agency corporate/strategic plans so that each reflects and incorporates the requirements of the <i>Vision 2050</i> pillars and the MTDP priorities; and there is increasing evidence of targets and measurable indicators.	The 2011 corporate plan was reviewed by the Executive Management Team in November 2010. Numerous adjustments were made to align to the <i>Vision 2050</i> pillars and the MTDP. Each corporate objective has numerous KPIs assigned. A further review of KPIs was undertaken in June 2011 and a traffic light system introduced to monitor performance.	As a result of the recent KPIs review, PNGASL have elected to use the Balanced Score Card methodology. A one day workshop was held on the Balanced Scorecard, conducted by the Manager HR, the Executive Officer and assisted by the Advisor. Follow up sessions will occur in Q3, 2011 to convert the existing Corporate Plan into a Balanced Score Card for 2012.
PNGASL - Introduce and embed a suite of contract management policies and practices.	In addition to the asset maintenance software practices described above, a Project Management Workshop was delivered by the Advisor with assistance from the TSSP Monitoring and Evaluation Specialist. Further information is available in the M&E Section of this report.	
PNGASL - Increase compliance with legislation and procurement procedures.	A new suite of tendering manuals has been developed to provide guidance on procurement procedures. This suite of manuals, when approved, will complement the tendering workshop held 18 months ago. A warehousing and purchasing manual has been developed with the PNGASL Logistics Manager to further review and customise. The Manager was recently removed from the agency and further resources will need to be devoted to this task.	The Logistics Manager position will be advertised in Q3, 2011. Expected commencement in December 2011.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
NRSC		
Review agency corporate/strategic plans so that each reflects and incorporates the requirements of the <i>Vision 2050</i> pillars and the MTDP priorities; and there is increasing evidence of targets and measurable indicators.	2011-2015 Corporate Plan consistent with <i>Vision 2050</i> , the Development Strategic Plan and the Medium Term Development Plan prepared and released on 11 May 2011 – as part of the launch of the UN Decade of Action for Road Safety. Plan contains evidence based outputs and measurable indicators.	Development of a 2011-2013 Work Plan setting out short to medium term goals that are consistent with the Corporate Plan and Road Safety Discussion Paper to be commenced in Q3.
Release a PNG Road Safety Discussion Paper and incrementally commence implementation of agreed and affordable/budgeted recommendations; with the goal of increasing attention to and improving road safety responses and coordination within relevant transport sector agencies.	Road Safety Discussion Paper finalised and formally released on 11 May 2011. Work within NRSC commenced with respect to progressing 7 of the 42 recommendations in the Discussion Paper, in full or in part, specifically relating to the NRSC. This includes preparation of Development Budget applications to carry out those tasks that cannot be funded through the existing NRSC funding mechanism of the 5% levy on compulsory third party insurance. TSSP RS Adviser situated within the Roads and Bridges Division of DoW for one day a week to provide direct road safety advice and inputs.	The outstanding re-establishment of the NRSC Board continues to hinder coordination activities. RS Adviser work to continue within DoW in Q3 and Q4 2011 to support the identification of hazardous locations/route sections within Central and Morobe Provinces with a view to establishing contributory factors and appropriate mitigating treatments and costs for implementation. Work with the Department of Education to commence in Q4 2011 to prepare a Teacher Resource Guide to support road safety being formally included as part of the school curriculum – subject to finalisation of the draft Memorandum of Understanding between the NRSC and Department of Education.
Improve the quantity and reliability of data entered into the road accident database, and provide a summary report on the resulting information.	2006 accident data entered into system with 2008 data entry ongoing (2007 entered previously) with checks on accuracy undertaken. 2007 Road Safety Data Report prepared and formally released 11 May 2011.	Information Sheets on up to nine specific road safety issues identified from the accident data are to be prepared providing more detailed information on the topic under consideration along with simple road safety tips to help address improved road safety. Continued accident data entry into the database with subsequent 2006-2008 Data Report following completion of 2008 data entry. Resource availability may result in this not being prepared until 2012.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Explore opportunities to improve road safety education and awareness campaigns.	<p>Draft Memorandum of Understanding prepared between the NRSC and the Department of Education relating to the inclusion of road safety within the school curriculum.</p> <p>Following discussions with the Asian Development Bank concerning their potential funding of awareness projects as a component of ADB road rehabilitation projects, a typical methodology and costings have been developed to undertake road safety awareness campaigns in Provinces.</p>	<p>Commence development of teachers' guide in Q4, 2011, subject to finalisation of the draft Memorandum of Understanding between the NRSC and Department of Education.</p> <p>Subject to ADB funding and approval as part of Highlands Highway rehabilitation project, develop a specific proposal (with deliverables) to carry out a six month long road safety awareness program in Eastern Highlands. Program as designed to be implemented, subject to funding.</p>
DNP&M		
Review agency corporate/strategic plans so that each reflects and incorporates the requirements of the Vision 2050 pillars and the MTDP priorities; and there is increasing evidence of targets and measurable indicators.	<p>Assisted officers of DNP&M conduct policy alignment workshops with all sector agencies and regions.</p> <p>Emphasised to sector agencies that Development Budget funding will be in accordance with the MTDP.</p>	Change of Government and departmental ministers together with the forthcoming election may distort the 2012 Development Budget.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Prepare and Manage the TA Facility: Strengthen Public Sector Management		
Section 3 reports on progress against TSSP Component 2: Prepare and Manage the Technical Assistance Facility: Strengthen Public Sector Management. Agency progress is reported under sub-sections respectively titled: Policy and Planning, Legislative Reform and Legal Issues, Information Technology and Communication, Financial Management, Human Resources, Technical Assistance and the Management and Delivery of Asset Maintenance Programs.		
This component reports on legislative reform and legal issues within and among transport sector agencies.		
2011 Legislative Drafting Plan to be prepared and submitted to the Sec DoT and Minister for approval. Note: 2011 Plan builds on the original Legislative Drafting Plan which provided for 26 Legislative Drafting Projects (18 of which are completed).	2011 Legislative Drafting Plan completed in March 2011 and approved by Sec DoT and Minister in May 2011. The 2011 Plan confirms the current legislative drafting priorities and continues to support strategic legislative development for the Transport Sector. During the latter part of the reporting period, and upon the Minister's request, the DoT Legal Team provided assistance to the Minister concerning options to resolve the ongoing governance issues in the Aviation sector.	Progress with the six aviation sector legislative drafting projects in the original Legislative Drafting Plan has experienced ongoing delay due to the non-resolution of governance and litigation issues in the Aviation Sector Agencies. These issues may be resolved by the Minister and directions from a new government in the second half of 2011. The drafting of legislation in the Land Transport and Maritime Transport Sectors will use the policy settings in the NTS. The NTS was not completed during the reporting period.
Specific legislative drafting projects scheduled for completion under the 2011 Plan include:		
Land Transport Road Traffic Bill 2011 Road Traffic Regulation 2011	Design of the Road Traffic Bill 2011 and Road Traffic Regulation 2011 completed and drafting of the Bill and Regulation commenced.	The Road Traffic Bill 2011 and Road Traffic Regulation 2011 constitute the largest drafting projects in the 2011 Plan and will also produce amending legislation affecting the <i>Land Transport Board Act 1968</i> , <i>National Road Safety Authority Act 1997</i> and <i>Licensing of Heavy Vehicles Act 1977</i> . The Bill will provide for a single Road Traffic Authority to take over and consolidate the functions of the Land Transport Division of DoT, the Land Transport Board and the NRSC. The Bill and Regulation will be completed in the second half of 2011.
Motor Car Dealers (Amendment) Bill 2011	Completed draft Bill and awaiting approval by DoT management for wider consultation.	The Motor Car Dealers (Amendment) Bill 2011 remains with DoT senior management for approval for wider consultation. It is hoped that the consultation and Bill will be completed in the second half of 2011.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Roads (Classification and Standards) Regulation 2011	Regulation with the Office of Legislative Council for formatting and certification.	The Regulation will be completed and submitted to the Minister and NEC for formal approval and commencement in the second half of 2011.
Maritime Transport Ports Bill 2011, together with completion of Ports Statutory Instruments	Agreement reached with PNGPCL concerning the preparation of the Ports Bill 2011. Completion and Ministerial approval of 4 Notices of Declared Ports (port extensions for Port Moresby and Lae and new Declarations concerning Buka and Bassamuk).	During the latter part of the reporting period PNGPCL employed a consultant to work with the DoT Legal Team on the Ports Bill 2011. This is a welcome development indicating PNGPCL's strong commitment to the project. The Bill will use the policy settings in the NTS. The Bill will be completed in the second half of 2011.
Review of the <i>Merchant Shipping Act 1975</i> and <i>National Maritime Safety Authority Act 2003</i>	No progress this reporting period.	The Review of the <i>Merchant Shipping Act 1975</i> and <i>National Maritime Safety Authority Act 2003</i> has been delayed due to the non-completion of the NTS. The Review will use the policy settings concerning Cabotage and Shipping Rates in the NTS. The Review and amending Bills will be completed in the second half of 2011.
Merchant Shipping (Maritime Security) Regulation 2011	Consultation draft of the Regulation completed.	Consultation on the Regulation was due to occur in June 2011 but was deferred to July 2011 by the DoT Maritime Security Unit. The Regulation will be completed in the second half of 2011.
Small Craft Bill 2010	<i>Small Craft Act 2010</i> approved by the Parliament.	With Parliamentary approval of the <i>Small Craft Act 2010</i> , NMSA and the 15 Maritime Provinces will need to focus on an implementation phase and strategy for the Act to come in to force in 2012. The DoT Legal Team will assist NMSA with this phase. An opportunity exists for TSSP to further assist NMSA and the Maritime Provinces with this task.
Marine Pollution Legislation Package	5 Bills and 4 Regulations in the Package completed and awaiting formatting and certification by the Office of Legislative Counsel (OLC).	NMSA (which has responsibility for the Marine Pollution Legislation Package) has not yet completed its work with the OLC to have the 5 Bills formatted and certified. It is anticipated that the 5 Bills will be given to the Minister for introduction in to the Parliament in the second half of 2011.
Aviation National Weather Service Bill 2011	Completed draft Bill awaiting approval by DoT management for wider consultation.	The National Weather Service Bill 2011 remains with DoT senior management for approval for wider consultation. It is hoped that the consultation and Bill will be completed in the second half of 2011.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Agencies will also address the legal aspects of implementation of legislation approved in 2010, including:		
<i>Transport (Collection of Information) Amendment Act 2010</i>	Act currently with the Office of Legislative Counsel to finalise with the Clerk of the Parliament as part of the process for commencement.	It is anticipated that the Act will commence in the second half of 2011.
<i>Protection of Transport Infrastructure Act 2010</i>	Act commenced on the 16 May 2011.	With the commencement of the Act the affected Agencies (DoT, DoW, NRA, NMSA, PNGPCL, NAC and PNGASL) can now commence to implement the Protection of Transport Infrastructure Strategy of which the Act is part.
Civil Aviation Amendment Act 2010	Refer implementation/emergent issues above (Page C2-1) regarding governance and litigation issues in the aviation sector.	
Meetings of the Transport Sector Lawyers Network will continue and enhance transport sector legislative readiness for drafted legislation.	Two Network meetings were held during the reporting period and the Network expanded to include DoW and ICCC lawyer members. Main topics of the meetings included implementation of the Legislative Drafting Plan, conduct of litigation affecting the sector and progress with the M&E Performance Story Report.	Two meetings of the Network are scheduled for the second half of 2011. Network meetings are chaired (and secretariat functions provided) by Host Transport Sector Agencies in rotation. The Network continues to provide support for the implementation of the Legislative Drafting Plan and contributes to ownership of the Plan by the Sector.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Prepare and Manage the TA Facility: Strengthen Public Sector Management		
Section 3 reports on progress against TSSP Component 2: Prepare and Manage the Technical Assistance Facility: Strengthen Public Sector Management. Agency progress is reported under sub-sections respectively titled: Policy and Planning, Legislative Reform and Legal Issues, Information Technology and Communication, Financial Management, Human Resources, Technical Assistance and the Management and Delivery of Asset Maintenance Programs.		
This component reports on information technology and communications (IT&C) activities within transport sector agencies.		
DoW		
Expand remote IT network to enhance electronic communication between Headquarters and Provincial Works Offices, including voice communication.	<ul style="list-style-type: none"> • New voice and data cabling completed in Mt. Hagen • Design for Voice over IP completed for Hagen and Lae offices • IPvpn upgrade to all remote offices is nearing completion with only three provinces remaining • Exploration team visit to Hagen office undertaken with planning commenced on Voice over IP strategy • Strategies to improve local network completed. 	<ul style="list-style-type: none"> • Ongoing planning with DoW Operations and Finance FAS to secure funds for further IT&C upgrades • Staggered planning of Voice over IP to connect remote offices • Work in progress to set up appropriate VLANs utilising the resources of the branch combined with ongoing training and awareness by the Adviser (in line with the capacity building goals for the branch).
Improve the quantity and quality of online intranet information for DoW users.	Intranet server was successfully configured and set up on a Blade system as a platform for a full production server. Server contents are gradually being upgraded and loaded as Senior Management recognise the importance and capability of the intranet to improve DoW efficiencies and information management.	Ongoing planning with stakeholders to support and provide material and content for Intranet.
Implementation and monitoring of security policy and associated training.	<ul style="list-style-type: none"> • Information and internet security policy has been drafted and submitted in the reporting period for management review and approval • Virus protection strategies designed and successfully rolled-out in the HRM Division. 	Dismantling of all USB external devices, excluding printers, to reduce the risk of virus introduction – accompanied with staff training and awareness raising.
Introduction of DoW Provincial IT&C asset plan.	<ul style="list-style-type: none"> • IT asset registry re-activated and IT&C officers now undertake an inventory of IT assets as part of provincial travel. Lae and Mt. Hagen offices are currently being inventoried • Investigation of voice communication equipment and services in the provinces is currently underway with further planning to occur. 	Several remote offices are scheduled for voice and communications upgrades in Q3 and Q4, 2011.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Realign and gain approval for an IT&C Strategy, based on the DoW 2011-2015 Corporate Strategic Plan and its five Key Corporate Strategies, to guide all future IT&C activities.	Management strategies and resource planning introduced to provide IT support to assist DoW regional and provincial offices.	Division workplan for 2012 incorporates a number of strategic IT&C goals in line with the Corporate Plan for the department.
Introduce and monitor Key Performance Indicators (KPIs) for the IT&C function	No action in the reporting period.	Further planning to occur in Q3 and Q4, 2011 to introduce KPIs as part of the 2012 workplan.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Prepare and Manage the TA Facility: Strengthen Public Sector Management		
Section 3 reports on progress against TSSP Component 2: Prepare and Manage the Technical Assistance Facility: Strengthen Public Sector Management. Agency progress is reported under sub-sections respectively titled: Policy and Planning, Legislative Reform and Legal Issues, Information Technology and Communication, Financial Management, Human Resources, Technical Assistance and the Management and Delivery of Asset Maintenance Programs.		
This component reports on financial management activities within transport sector agencies. A separate Program Financial Management Report is provided at Section 4.		
DoW		
Improve the frequency and reliability of financial reporting to central agencies and management; and in complying with external reporting requirements.	Reporting framework for financial reporting on GoPNG Development Budget and maintenance component of Recurrent Budget has been developed and implemented. Reports now being provided to Central Agencies as required.	Focus will now move to reporting on the physical progress of maintenance projects which will require input from Provincial Works Managers.
Improve the reliability of data within the current Financial Management Information System (FMIS) and associated reporting to management; and plan the required transition to the new Integrated Financial Management System (IFMS).	IFMS progress dependent on IT&C decentralisation to provinces which has progressed at a slow pace. Focus has continued on improved recurrent and development budgeting resulting in improvements in 2011-2012 allocations and strengthening interaction with central agencies. Joint reporting through Oracle and Treasury Measurement System account has been steadily increasing.	Planning and coordination with IT&C Branch's role in decentralisation to provinces to further support transition to IFMS.
Improve financial operations and procedures with an initial emphasis on improvements to the reliability and timeliness of bank reconciliations.	The agency has improved contracting templates and oversight and continues to focus on establishing a Contracting Unit and recruitment of personnel to the unit and associated capacity building support. Quality and timeliness of reports to central agencies continues to improve. DoW has been recognised by the Department of Treasury and Department of Finance in their own official reports as one of the highest ranked departments for bank reconciliation reporting.	Capacity building of the Contracting Unit and Financial Cell has been impacted by vacancies in technical advisory support. The TSSP FM Adviser in DoW and TSSP CA Adviser in DoW are expected to be mobilised in Q4, 2011.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Strengthen internal audit work practices (e.g. through improved coordination with DoF Internal Audit Compliance Division and the Auditor General Office); the development of internal audit manuals and procedures, and the creation of a register to record, monitor and report on audit findings.	The internal audit service concluded and all outputs and manuals received. Internal audit consultancy and exit report are being evaluated for improvements in internal audit capability, capacity, functionality and value for money.	TSSP Program Manager will continue assessment of the internal audit process and develop further recommendations with the assistance of the incoming TSSP FM Adviser in DoW (expected mobilisation, Q4, 2011).
PNGPCL		
Improve financial planning and the oversight and reporting of asset maintenance and agency expenditure.	Cash flow control and reporting has been refined and improved with a daily situation report being replaced by a weekly status report accompanied by a moving eight week forward projection. The daily report, still prepared for finance use, maintained constant management oversight and a high level of discipline in cash control. The new weekly report incorporates accurate and updated information for forward planning. Identifying the need for a distinct and separate procurement department followed from studies indicating that purchasing was being carried out in a haphazard way throughout the organisation with little or no oversight or analysis. A new department has been created with the structure designed and necessary staff skills agreed. Staffing of the department is near completion and a procurement team leader is due to commence duties in July 2011. The internal audit department has been formed and human resources committed. An audit charter has been produced and approved by the Board. An audit committee has been formed and is functional. An operational work plan has been prepared.	Cash flow processes will be extended to include 'read only' internet access to the bank accounts; training of a senior accountant to become an effective treasury manager; and extend the time frame for accurate projections. Cash sales will be a twenty four hour activity; smaller ports will be included in the electronic processes; and collection methods will be enhanced to incorporate automatic collection methods. With the arrival of the procurement team leader a documented procedure manual will be introduced. The financial management manual will be completed; the three policies included in their final form; and the manual submitted to the Board for adoption. Investment, credit and fixed asset maintenance policies have been prepared for review and approval and inclusion into the new financial management manual. Positive outcomes from improved credit management has seen a substantial reduction in overdue debt, the introduction of additional controls for cash sales and active, effective and direct communication with customers.
Align PNGPCL asset accounting policies to international standards.	Asset accounting policies are being revised to align with international standards for the year ending 31 December 2011.	All accounting policies will align with International Accounting Standards (IAS) at the year end.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Identify and re-evaluate PNG Port assets.	A full count of the ports fixed assets was completed at the end of March 2011 and a revaluation of all assets is underway and due for completion in July 2011.	The revaluation will be completed and the new values recorded in the company's ledger.
Complete the documentation of a suite of procurement and tendering policies, procedures and practices, and oversight implementation.	Procurement and tendering policies are being prepared and will be reviewed during Q3, 2011 prior to submission to the board for approval and adoption.	The procurement and tendering policies will be approved by the Board and introduced.
Mentor and develop financial team member skills so that employees are able to gain CPA accreditation.	Six members of staff at PNGPCL are working towards their CPA accreditation and have formed a working group under the supervision and direction of the PNGPCL FM Adviser. This involves addressing the best approach to their exam subjects, daily studies and suitable training.	This is an ongoing programme with employees at varying stages of completion.
NMSA		
Develop financial assessment and investment prioritisation models to better guide PNG Ports in capital project selection and budgeting processes.	A PGK 4 Million Global Maritime Distress Safety System (GMDSS) project is to commence having been let out to tender. Tender opening is scheduled for 4 July 2011. This project has followed CSTB requirements.	The project will be completed and the safety system installed and operational.
PNGASL		
Improve financial planning and the oversight and reporting of asset maintenance and agency expenditure.	The Asset Maintenance System is being introduced. The integrated budget now ensures that reporting against budget is accurate and detailed as well as highlighting and controlling excessive expenditure.	The asset maintenance system will be operational and reporting will continue to be developed.
Improve financial management (forecasting, monitoring, and reporting).	The budget process for 2012 at PNGASL was initiated with a high level strategic workshop where all senior managers presented their plans for the year and a structured discussion period followed to establish preferred options for the company to achieve its objectives. This represented a substantial improvement over the two previous years when the budget was assembled almost entirely by the Chief Financial Officer.	The system with its enhanced budget will be further developed for reporting and monitoring purposes.
Improve procurement procedures and practices.	A systems based procurement programme is being appraised for inclusion in the current financial package.	An identified procurement programme will be adopted and developed to assist further improvement in procurement processes.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Prepare and Manage the TA Facility: Strengthen Public Sector Management		
Section 3 reports on progress against TSSP Component 2: Prepare and Manage the Technical Assistance Facility: Strengthen Public Sector Management. Agency progress is reported under sub-sections respectively titled: Policy and Planning, Legislative Reform and Legal Issues, Information Technology and Communication, Financial Management, Human Resources, Technical Assistance and the Management and Delivery of Asset Maintenance Programs.		
This component reports on human resources (development and management) activities within transport sector agencies.		
DoW		
Improve payroll integrity and therefore budget capacity with associated compliance and audit checking improvements.	Payroll management policy and procedures have been developed and are currently being consulted across DoW. A checklist has been developed to ensure that all payroll reports are verified each fortnight and signed off by the AS(HRM). A request has been made to DoF to provide access to an appropriate daily audit report for the Human Resources Information System (HRIS) and this is being actively followed up. A request has also been made to DoF to update activity codes in the HRIS to ensure that all positions have correct cost codes and appear correctly on finance reports and matched to the annual budget appropriations. Discussions with DoF are ongoing.	Following approval by the Sec DoW, payroll policies and procedures will be implemented. Once access to the appropriate daily audit report is established, the payroll staff will commence checking all transactions entered into the HRIS each day for accuracy and to ensure an approved source document is available. Activity codes for all positions will be fixed once the activity codes in HRIS are updated.
Complete and implement a full suite of HR policies, and audit for compliance.	Suite of HR policies (in excess of 40) has been drafted and is being reviewed by management prior to submission for approval.	Develop implementation plans on approval of policies. Additional resources will be required for implementation and training.
Develop and introduce a workforce management strategy, incorporating workforce plan, staff development plan and performance management.	HRD Branch has developed a Workforce Management and Development Strategy which is awaiting feedback from the Secretary. A Performance Management Strategy has been developed along with a range of performance management policies and procedures to guide better performance management.	On approval of the Workforce Management and Development Strategy, Performance Management Strategy and related policies, implementation plans will be developed and implementation commenced.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Increase the capability of Human Resource Management Branch through organisational development and capacity building strategies.	HRM Branch capability strategy was completed and approved. Improvement plans were distributed to section heads and they were directed in writing to implement these.	Implementation of improvement plans to be monitored and managed by AS (HRM) later this year and into 2012. Review of progress to be undertaken, to determine how effective change has been and to refine improvement plans where required.
Refine training plans to better reflect job and performance requirements, and improve the rationale for participant selection.	A report on progress of the recruitment process after the 'spill and fill' restructure in 2008 was prepared and submitted along with a lessons learned report. The Training Needs Analysis (TNA) process has been deferred pending completion of the recruitment, which is expected by early 2012. HRD Business Plan has been commenced to better define the business of HRD, which will analyse current practices and consider alternatives which are more efficient and effective. Issues to be considered include viability of Works Institute of Technology courses; need to align with National Qualifications Framework; effective use of facilities and staffing; achieving value for money from HRD resources and funding; and aligning with Workforce Management and Development Strategy; Alignment with MTDP and DoW planning budget.	Complete recruitment to 80% (currently <50% complete) by Q4, 2011. Develop plan for completing TNA process in Q4, 2011 through engagement with HRD Branch Management. Complete HRD Business Plan for approval in Q4, 2011 with implementation in 2012.
Improve communication and reporting between Headquarters and Provincial Works Offices	HR policy framework defines responsibilities and accountabilities for HR functions more clearly in respect to HRM Branch and Branch Managers.	Implementation plans for HR policies to be developed in Q4, 2011 which will provide opportunities for training to clarify responsibilities and which reflect job and performance requirements.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
PNGPCL		
<p>Complete the development of, and implement a full suite of HR policies and procedures in transitioning PNG Ports from the outdated 2002 Harbours Board employment determination regulations.</p>	<p>HR policies developed and approved for implementation by the Board in March 2011 include:</p> <ul style="list-style-type: none"> • Attendance at work policy (revised) • Loyalty recognition policy • Leave policy • Performance bonus policy (revised) • Cadet sponsorship policy • Training and development policy • Conflict of interest policy • Remuneration policy (revised) • Family members in the workplace policy. <p>HR policies currently under development for submission to the CEO include:</p> <ul style="list-style-type: none"> • Salary sacrifice policy • Deceased employee funeral expenses policy • Recruitment policy (revised) • Club and professional membership policy • Motor vehicle policy • Relocation and repatriation policy • Termination of employment • Drugs and alcohol policy (revised) • Exit interview policy • HR file management policy. <p>Policy development to replace the 2002 Employment Determination is 95% complete.</p>	<p>Ensuring all employees have an understanding of these policies and that they are fully implemented is an ongoing challenge. Conduct visits to all major ports to reinforce awareness of all HR policies (in the second half of 2011).</p>

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Reduce the average remuneration cost per employee (either absolute or benchmarked), with and clear numerical targets developed for 2012.	Work has commenced on establishing benchmarks with port agencies in Australia and the Pacific for measuring HR performance across the organisation. Further work is to be undertaken with Ports Australia to assist with this project and is planned to be completed by December 2011.	
Increase the proportion of employees engaged under contracts; introduce and monitor performance management systems that include position descriptions, KPIs and performance reviews.	During this six month reporting period, the HR Department was involved in rolling out employment contracts to all employees across the organisation. With 90% of PNGPCL employees now on individual employment contracts this has been a successful and significant achievement.	Challenges exist with ensuring up-to-date position descriptions and KPIs for all employees, (as the organisational structure remains fluid). HR is currently undertaking a stocktake of all organisational charts with the view of establishing clear information on positions titles and employees roles. A number of position descriptions and KPIs will need updating.
Pilot volunteer and graduate projects, as and when approved.	Two groups of cadet marine pilots and marine engineers are working to develop the capacity of the organisation to meet pilotage commitments. HR is in the process of promoting the graduate development program intake for 2012. Work is continuing on implementation of a plan to recruit apprentices in a number of trade areas.	
Progress the implementation and monitoring of the <i>Lifestyle and Health</i> pilot program (with the inclusion of gender and HIV and AIDS outcomes).	Ongoing mainstreaming of Life Style Programs undertaken. The TSSP Gender and HIV&AIDS Advisors now work at Ports one week each per month. Work has progressed in developing more detailed implementation strategies based on approved policies and procedures. See further the crosscutting section of this report.	Plans for the White Ribbon Day Campaign (November 2011) and raising awareness of domestic violence is ongoing. Program to identify men who can be champions and who can provide leadership in this area has commenced.
Introduce workforce cost effectiveness measures, including undertaking an assessment of the skill base available through the casual labour pool (with a consequent plan to increase skill levels in line with industry requirements).	PNGPCL is currently recruiting a Labour Pool Manager. A skills assessment of the current labour pool has been completed. Training for the labour pool will be designed in consultation with the new Labour Pool Manager and other stakeholders.	
Improve outcome reporting to executive management and Boards for both PNG Ports and NMSA.	Work in the last six months has been undertaken to review corporate strategic plans and the business plans of individual divisions/departments and reporting mechanisms against these plans for the CEO, PNGPCL Board and the IPBC.	

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Develop a Human Resources Management Information System with the capability of storing and processing baseline HR data.	A decision by the CEO was made during the period not to proceed with the purchase of the Technology One HRIS. A version of the MAUS software has been purchased with the view to trialing over the next 12 months. The department has also commenced the use of the Qudos software to store documents. Work has commenced on establishing benchmarks for measuring HR performance across the organisation that can be used to compare with other Ports agencies in Australia and the Pacific.	Purchase and trial MAUS software and other alternatives to determine which program meets the needs of PNGPCL.
PNGASL		
Operationalise a performance management system, provide line managers with training on performance appraisal and monitor implementation effectiveness.	Training and awareness of the performance management policy has been ongoing. Completion rate for performance reviews expected to be close to 100% in 2011 (approximately 50% in 2010). Implementation of disciplinary processes has improved, however, managers still need to adopt a more proactive approach to managing staff performance through feedback, coaching and improved communication about expectations.	Ensure completion rates for performance reviews are close to 100%. Provide training in conducting performance review, performance counselling and disciplinary interviews. Operationalise a system to monitor implementation of performance management policy.
Develop and monitor the implementation of fully costed training.	Training Needs Analysis undertaken in the reporting period and will feed into the training plan for 2012. The training team is now more engaged with the rest of the business and consulting with managers to ensure training meets business needs.	Further Training Needs Analysis to be undertaken and a fully costed training plan to be completed and approved by the CEO by November 2011.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Prepare and Manage the TA Facility: Strengthen Public Sector Management		
Section 3 reports on progress against TSSP Component 2: Prepare and Manage the Technical Assistance Facility: Strengthen Public Sector Management. Agency progress is reported under sub-sections respectively titled: Policy and Planning, Legislative Reform and Legal Issues, Information Technology and Communication, Financial Management, Human Resources, Technical Assistance and the Management and Delivery of Asset Maintenance Programs.		
This component reports on technical assistance and the transport sector capacity building framework activities within transport sector agencies.		
Transport Sector Capacity Building Framework Stage One – Development, Endorsement and Implementation of Initial Technical Assistance Program		
Negotiate agency based performance appraisal arrangements for all TA provided through TSSP/SGP.	New AusAID guidelines for TA performance appraisal reviewed.	To develop an approach that harmonises AusAID and agency requirements for TA performance appraisal. AusAID TA performance appraisal scheduled for March 2012.
Develop and gain counterparts and agency head approval, for adviser situation analyses, annual work plans, (bi)monthly and six-monthly progress reports; with progress monitored by and with agencies and reported to TSCMIC.	As new advisers commence with TSSP, adviser situation analyses, annual work plans, (bi)monthly and six-monthly progress reports developed and approved by counterparts and agency heads. Progress reports (bimonthly and six-monthly) are reviewed against workplans to ensure compliance with agreed directions and timelines. Higher-level achievements are shared with program M&E in order to feed into sector reporting to TSCMIC.	
Maintain agency focus on the GoPNG public sector reform agenda, through inter-agency technical group meetings, a review of agency and adviser reports, and ongoing capacity building initiatives/activities.	Inter-agency technical group meetings ongoing. Agency and adviser reports reviewed on ongoing basis. Capacity building approaches under discussion.	Ongoing inter-agency technical group meetings. Ongoing review of agency and adviser reports.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Transport Sector Capacity Building Framework Stage Two – Implementation of Staged Capacity Building Practice Model		
Review the applicability of the existing 39 Staged Capacity Building Practice Model (SCBPM) plans with the full engagement of agency heads and counterparts; and assess the viability of rolling out new work unit plans with workshops to be held, monitored and reported.	During the reporting period, 8 workshops and 21 meetings were held concerning the implementation of the SCBPM. The eight workshops, covering 60 counterpart participants (17F, 43M) resulted in six new Capacity Building Plans being established and six Capacity Building Plans renewed. Due to Adviser and counterpart changes in the reporting period, as at 30 June 2011, there were 21 Capacity Building Plans reactivated across TSSP.	Capacity Building Reports will be evaluated and monitored every three months during Q3 and Q4, 2011. Follow-up workshops will be held with counterpart work teams at six monthly periods. Advice and support will be provided to Advisers and counterparts in the implementation of self-identified capacity building strategies.
Facilitate and support an independent study of the SCBPM to review its operationalisation and applicability within PNG and possibly those countries in the Pacific Region that have adopted a similar approach (Timor Leste, Solomon Islands and Vanuatu).	A final decision with regard to implementation of this project was outstanding during the reporting period. Draft ToR has been prepared for the proposed project and procurement would be through ISP systems. The study would potentially provide an independent view on the impacts achieved under the Transport Sector Capacity Building Framework. A briefing on regional cooperation of the SCBPM was prepared in Q2, 2011 outlining options for proceeding by senior management and AusAID.	A final decision to proceed with the study will be negotiated with AusAID in Q3, 2011. The need for this additional study will ideally be considered in connection with the review on program capacity building undertaken by the TSSP Review and Design Mission Team in Q3, 2011.
Identify capacity building application and effectiveness issues for consideration in the design of further phases of TSSP.	Information on SCBPM activities and outcomes provided to the Review and Design Mission Team.	Briefing to be provided to the Mission's Public Sector Reform Specialist on suitability and effectiveness of SCBPM. Further critique to be provided to the Mission Team on objectives, intermediate capacity building outcomes and agency support in TSSP Phase Two.
Transport Sector Capacity Building Framework Stage Three – Development, Endorsement and Implementation of Capacity Building Strategies to Assist Organisational Development / Institutional Strengthening		
Map existing twinning and/or MoU arrangements, and assess if and where activities might be implemented, expanded, regularised or improved.	Transport MoU twinning activities are reported to TSCMIC by the Australian agencies and the SGP coordinator.	

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2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Procure services through transport sector counterpart agencies and/or TSSP.	The indicative budget for the volunteering pilot project is AUD 315,000 and it is proposed that agencies will contribute the cost of the fees charged by the volunteer provider (AUD 140,400) and TSSP will contribute top-up funding of approximately AUD 174,600 for secure accommodation and airfares. Agency in-kind contributions will include office accommodation, associated facilities and work-related travel in PNG.	To commence implementation of the volunteering pilot project before end of phase.
Develop and monitor pilot project performance indicators.	No progress during the period.	To commence implementation of the volunteering pilot project before end of phase and this will include the development of indicators and evaluation.
Identify expected and unexpected consequences/impacts and report on outcomes to TSCMIC and other stakeholders.	The volunteering pilot project proposal was submitted and endorsed by TSCMIC in May 2011 and addressed expected and unexpected consequences and impacts.	Design and agreement of a monitoring and evaluation framework for the volunteering pilot project. This will include an assessment of the impact and cost-effectiveness of volunteering as an organisational development strategy. The evaluation will inform the extent of TSSP's future utilisation of volunteering.
Identify application and effectiveness issues for consideration in the design of further phases of TSSP.	<i>Future Focus – Towards TSSP2 Workshop</i> critiqued and developed recommendations regarding Stage 3 interventions. A briefing on progress to date and future design options provided to the Review and Design Mission Team.	Ongoing support to the consultations and consideration of the Review and Design Mission Team.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Prepare and Manage the TA Facility: Strengthen Public Sector Management		
Section 3 reports on progress against TSSP Component 2: Prepare and Manage the Technical Assistance Facility: Strengthen Public Sector Management. Agency progress is reported under sub-sections respectively titled: Policy and Planning, Legislative Reform and Legal Issues, Information Technology and Communication, Financial Management, Human Resources, Technical Assistance and the Management and Delivery of Asset Maintenance Programs.		
This component reports on management and delivery of asset maintenance programs within transport sector agencies.		
DoW		
Monitor the implementation of asset maintenance work plans, and improve project supervision and reporting with an emphasis on continuing to strengthen contracting documentation and procurement processes (in consultation with the Central Supply and Tenders Board) and greater attention on contractor performance and reporting.	TSSP Workplan monitored and updated throughout the reporting period. DoW contract documentation updated in April 2011 and the evaluation criteria relating to past performance strengthened. TSSP RCE Advisers continue to work with DoW on contract supervision and performance.	Monitoring and supervision activities will be ongoing. Contract administration support will be impacted by Adviser recruitment in this area. As an interim measure, a short-term consultancy will be provided through the Implementing Service Provider to support contract administration in DoW. The consultancy will include a handover period to the Adviser position currently under recruitment.
Improve financial planning and the oversight and reporting of asset maintenance and agency expenditure.	Department Executive is now receiving detailed monthly reports on the financial status of GoPNG recurrent budget maintenance projects. Half year Executive Summary Report is now being provided. TSSP RCE Advisers continued oversight and monitoring role of TSSP funded expenditure.	Further capacity and support needs to be provided to DoW Executive Management to respond to issues that arise in financial planning. GoPNG funded projects continue to be impacted by poor or inconsistent project management information from provinces. TSSP will increase focus on supporting the reporting of physical progress of maintenance projects which will require input from Provincial Works Managers.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Tender and award the design and construction supervision contract for the Wabag – Wapenamanda section of the Enga Highway, co-funded by GoPNG, AusAID and Porgera Joint Venture through the Department of Works.	Completed (tender awarded June 2011).	Design expected to be completed in Q1, 2012. Construction is dependent on GoPNG funding commitment and TSSP will assist DoW in contract supervision. Trust Deed will require amendment to accommodate third party contributions (ie: Porgera Joint Venture).
Complete the Feasibility Study of Improvement Options and Re-Routing Options of the Highlands Highway through the Department of Works.	Contract concluded Q2, 2011, although Final Report remains outstanding. Project not regarded as being successfully concluded.	Outstanding report to be actively pursued. TSSP to further discuss options with DoW to remedy the outstanding work and payment decisions.
Tender, award a construction contract, and commence the construction of up to four bridges in Oro Province (destroyed by Cyclone Guba in 2007) through the Department of Works.	Design and independent review completed in May 2011. Construction tender advertised in June 2011.	Tenders due to close September 2011 and contract likely to be awarded Q1, 2012.
Expand the quantity and reliability of information available through the Road Asset Management System (RAMS) for use within the Department of Works (DoW) and among other transport sector line and central agencies, including incorporation of the information resulting from the 2011 visual road condition survey.	Data has been received from a number of the provinces who have carried out coarse visual condition surveys in the reporting period. Results from the coarse surveys received lacked the details needed to provide the end user with reliable quality information on the condition of the road network.	RAMS has postponed further surveys in 2011, until a new set of survey guidelines for the provinces is designed and instructions/training provided. The Pavement Management System of RAMS is proposed to be upgraded with a new database, segmentation module and direct connection between the other modules and RAMS.
Complete the visual road condition survey and upload the data to RAMS; and to Bridge Management System (BMS) where relevant.	The contract for the visual road condition survey was signed in April 2011 and the consultants' mobilisation was completed by June 2011. No data was processed or uploaded to RAMS during this period	Fieldwork is to commence in July 2011 and is expected to be finalised in mid-November 2011, including the uploading of data to RAMS database. Results from the evaluation of the data are expected to be available in January/February 2012

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2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Highlight asset management issues within land transport work and project planning.	Focus for improving asset management in the reporting period considered means to improve the reliability of data to inform future project planning.	Improved reliability of data will be adequately addressed through the results of the visual road condition data project. The data sets will become available in Q4, 2011 and will be incorporated into project planning.
Continue to improve coordination with NRA, to clarify matters including roles and responsibilities, funding, and the future contracting of road works.	Coordination meetings between DoW and NRA held at engineering levels to improve understanding of geographic roles and responsibilities due to inconsistency of legislation in this regard.	Outstanding roles and responsibilities of NRA require clarification, along with the agency's corporate responsibility. TSSP is in dialogue with AusAID to seek clarifications as it relates to TSSP funded projects.
<p>Initiatives to improve and strengthen procurement processes and procedures:</p> <ul style="list-style-type: none"> ○ Consider the recommendations of a procurement diagnostic ○ Revise and improve tender and contract documentation and administrative procedures ○ Improve the preparation, management and reporting of tender evaluation committees. 	<p>AusAID contracted a Procurement Diagnostic in February 2011 to assess the existing procurement capability and capacity of selected procuring entities within TSSP. The assessment was completed in April 2011 and further advice is pending from AusAID in relation to the recommendations from the Diagnostic.</p> <p>TSSP RCE Advisers continue to provide extensive assistance in contract documentation at a provincial level. Further training and capacity building strategies in procurement processes need strengthening, particularly in provinces.</p> <p>An assessment of contractor past performance is now included in tender evaluation. A checklist has been developed in the evaluation report to support this process.</p> <p>Penalties are now outlined in contract documentation and can be used to disqualify contractors. Penalties are considered depending on circumstances. Contract conditions are now applied across all projects with TSSP RCE Advisers working closely with PWMs to implement contractual provisions.</p>	<p>Following AusAID's response to the recommendations of the Procurement Diagnostic, TSSP will implement changes as identified in the second half of the year. TSSP is also developing an additional mechanism in the form of a checklist template which confirms good procurement practices are observed and verified. It should also be noted that a further procurement analysis was undertaken in July-August 2011 to support the TSSP Review and Design Mission Team. TSSP will continue ongoing consultation and communication with CSTB within the framework established by AusAID to support ongoing improvements in procurement processes.</p>

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2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Monitor the implementation of asset maintenance work plans, with the aim of increasing budget execution; and improving communication, supervision and accurate reporting at provincial and central levels.	<p>All road and bridge maintenance workplans supplied by Provinces have been recorded in a dedicated maintenance database.</p> <p>For TSSP funded projects, workplans have been produced and approved in January 2011 with improvement in provincial workplans. Improvements have largely been a result of increased supervision, provincial visits and assistance with reporting provided by TSSP RCE Advisers.</p> <p>For GoPNG funded projects, draft maintenance budgets are determined within DoW and workplans are submitted by the provinces. Improvements in data are required, noting incremental improvement has occurred in communication.</p> <p>During the reporting period expenditure was PGK 28.6 Million compared to PGK 23 Million in the previous corresponding period (Jan-Jun 2010).</p>	<p>TSSP funding guarantee has facilitated improvements in workplans, budget planning and reporting. A series of major projects has commenced at the end of Q2, 2011.</p> <p>TSSP is currently seeking in-principle funding allocation for 2012 to enable workplan submission in Q4, 2011. Ongoing support will be provided in Q3 and Q4, 2011 to facilitate improvements in the development of workplans.</p> <p>Maintenance budgets for GoPNG funded projects have not been approved for distribution to provinces on the basis of workplans.</p>
Improve contractor payment claim processes (PMCs, DoW Provincial and Headquarter personnel).	Onsite Provincial Training led by TSSP Finance Control Officer within DoW and TSSP RCE Advisers assisting with the monitoring of timelines.	Processing of claims times have improved, however, additional resources and efficiencies are required to further reduce late payments.
Purchase laboratory equipment for the upgrading of DoW materials testing laboratories in Port Moresby, Lae and Mt Hagen and deliver training for users.	List of laboratory equipment was prepared and agreed. Tender documents have now been finalised.	Tender to be advertised in Q3, 2011 and implementation to be led by the newly appointed TSSP Materials Testing and Quality Control Adviser (commences August 2011).
Disseminate the 2011 DoW Asset Maintenance Work Plan for agreement with Provincial Works Offices, enabling the early preparation of Provincial work plans, and therefore project commencement.	For TSSP funded projects, dissemination of workplan completed in Q4, 2010 – with a majority of minor procurement workplans received and approved in Jan 2011. Mid-year updates have been partially received as at June 2011.	For TSSP funded projects there has been a steady increase in understanding amongst provincial personnel of the requirement of forward planning to ensure continuous work programming and execution. The steady increase in the number and regularity of provincial visits by TSSP RCE Advisers from Q3, 2010 to date, has resulted in improved prioritisation of projects.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Consistent with policy, reduce selected contract values in selected Provinces in an endeavour to attract interest from smaller contractors and elevate the overall capacity of the private sector.	Reduction in contract value is occurring in selected provinces. Contracts are increasingly prepared on the basis of contractor capacity in the area. For example, during the reporting period a 10km upgrade of road with approximate works value of PGK9.5m was split into a series of minor tenders to support participation of smaller contractors in the tendering process. Strategies are now in place to increase smaller contracts where possible.	Ongoing opportunities to reduce overall contract value will be explored. Outcomes regarding contractor capacity strengthening will occur over several years.
Target funding towards minor works contracts on each of the priority roads to encourage small contractors, who may not currently tender major contracts, to enter the market.	For TSSP funded projects, funding for minor procurement works has increased from previous years. For example, minor procurement works expenditure was PGK3.7 million in 2009 and PGK16.6 million in 2010.	For TSSP funding, 2011 actual expenditure is used as a basis to determine the 2012 budget. Support for minor procurement works contracts will be ongoing.
Allocate specific funding for vital bridge works to encourage smaller contractors to enter into the market.	For TSSP funded projects, the funding allocated for minor procurement of bridge works is included in the 2011 workplan.	Consultations will be held with provinces in Q3 and Q4, 2011 regarding priorities for a whole of corridor maintenance approach in the 2012 budget.
Provide additional assistance within the Provinces; together with the option of redistributing funds to more reliably performing Provinces, and identifying Provinces where additional assistance is required.	Revisions to the 2011 workplan, under the minor procurement works funding, has been based on a province's ability to deliver, including the province's actual expenditure. Additional funding has been results based.	2012 budget estimates will be based on 2011 actuals. A provinces ability to deliver 2011 expenditure will result in increased allocation in 2012. TSSP RCE Advisers will continue to visit and assist provinces with expenditure levels.

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2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
NRSC		
<p>Increase the number of road safety audits undertaken in association with road maintenance and rehabilitation projects.</p>	<p>No specific road safety audits were undertaken in the reporting period given that large scale rehabilitation projects tendered by DoW to date have not had finalised designs. A road safety audit has been included in the design of the Wabag–Wapenamanda rehabilitation project that was originally scheduled for 2011/2012. In addition, a road safety ‘inspection’ (rather than a formal audit) of the Goilala Highway has been carried out in conjunction with the DoW.</p> <p>2006-2010 accident data for Hiritano and Magi Highways collated, entered into accident database.</p> <p>Road safety audits of new/rehabilitated roads reliant on maintenance project implementation. As and when suitable rehabilitation projects are undertaken, road safety audits will be included as appropriate in the design/construction phase.</p>	<p>Design road safety audits of two road sections of the ADB Highlands Highway rehabilitation project expected to commence in Q4 2011.</p> <p>Hazardous locations on Hiritano and Magi Highways to be identified in Q3 2011 and contributory factors established with a view to carrying out and preparing formal crash reduction study reports in Q3 and Q4 2011.</p> <p>Most routine and periodic maintenance work carried out by DoW does not include road safety design mechanisms, e.g. patching of potholes, re-sealing and road rehabilitation. Inclusion of road safety design by an independent audit team as part of a large road rehabilitation contract, such as occurred with the Wabag-Wapenamanda project, is the currently preferred option.</p> <p>Road safety audit teams require two experienced road safety engineers and this human resource is in short supply beyond the current TSSP RS Adviser.</p>
PNGPCL		
<p>Monitor the implementation of asset maintenance work plans, and improve project supervision and reporting with an emphasis on continuing to strengthen contracting documentation and procurement processes (in consultation with the Central Supply and Tenders Board) and greater attention on contractor performance and reporting.</p>	<p>PNGPCL counterparts have attended a number of workshops convened by TSSP relating to asset maintenance and improvements initiated to ensure that tenders are handled in a transparent and ethical manner. Adviser input has been provided to a number of tendering processes to support procurement improvements.</p>	<p>Tendering processes require ongoing improvement to achieve cost and quality benefits for PNGPCL. The recent procurement of major assets has highlighted the importance of ongoing procurement reform in the organisation.</p>

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2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Align PNG Port performance tool ("dashboard" report) with management information systems, monitor and evaluate the usefulness of the tool, and introduce refinements as necessary.	This is still under discussion with IPBC and progress in the reporting period focussed on alignment options of the management information systems.	Further consideration and direction from IPBC on draft CSO policy, SOE constitution and dividend policy is required to consolidate reporting systems in this area.
Improve operational-level planning for terminal management through in-service delivery of training on container yard layout, planning and handling, and the monitoring of workplace performance.	Maritime studies training reviewed to meet the requirements of the recently acquired terminal handling equipment and yard management system. At Lae Port, terminal managers, wharf supervisors, yard planners and receipt and delivery officers were assisted in a capacity building exercise consisting of several training modules tailored to specifically address the terminal layout and operational equipment needs of Lae Port. These capacity building modules have re-strengthened the institution capabilities to continuously improve service delivery to customers while preparing resources to meet the challenges of the new terminal operating format.	Training for operational staff in equipment management, yard management and berth operation management to occur in the second half of the year. Terminal yard layout will continue to undergo changes in configuration to adapt to the new equipment arriving in Q3, 2011.

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2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
PNGASL		
Monitor the implementation of asset maintenance work plans, and improve project supervision and reporting with an emphasis on continuing to strengthen contracting documentation and procurement processes (in consultation with the Central Supply and Tenders Board) and greater attention on contractor performance and reporting.	<p>The use of asset maintenance software continues to support the ongoing scheduled maintenance of all plant and equipment. A Maintenance Planner position has been introduced to strengthen the planning processes. The Advisor completed several days of training/coaching with the Planner. PNGASL has also employed a Property Manager in the reporting period to better manage all property assets. This has improved property maintenance on PNGASL assets.</p> <p>A suite of tendering documents was prepared for PNGASL by the Advisor for review. This suite of manuals outlines processes covering the various types of procurement/tendering available. The findings and recommendations from the review require further approvals.</p>	<p>The organisational review for the Maintenance and Engineering Division will be completed in Q4, 2011. The review is designed to improve 2012 budget planning requirements and identify the additional planning and clerical resources required.</p> <p>Ownership of land and associated assets remains an ongoing issue. A Gazetial has been released from the interim minister and the agency has raised concerns with the interim minister in relation to the details. The final version of the organisational review and Board acceptance is scheduled for the November Board meeting.</p>
Complete contracted projects for the Domestic V-SAT; and tender, award and monitor contracts for the NavAIDS Replacement Project, Radar Maintenance; Supply of Miscellaneous Equipment and Spare Parts, World Geodetic Survey 1984 (WGS84) for the Global Navigation Satellite System (GNSS), and the GNSS/ Performance Based Navigation.	<p>Domestic V-SAT completion – scheduled for completion in August 2011. Nav Aids replacement at Nadzeb and Kavieng – Nadzeb is complete and Kavieng has commenced completion stages and flight test is expected November 2011.</p> <p>Radar maintenance has been completed in the reporting period.</p> <p>Supply of Miscellaneous Equipment and Spares –All quotations have now been received and documentation is being prepared for final Board approval.</p> <p>World Geodetic Survey 1984 (WGS84) for the Global Navigation Satellite System (GNSS) and GNSS/ Performance Based Navigation – Numerous meetings have been held with CASA and Industry and progress has been slow. Ongoing monitoring is required.</p>	<p>Domestic V-SAT is to be completed in Q3, 2011.</p> <p>Nav Aids at Kavieng is to be completed in Q4, 2011.</p>

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2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
NAC		
<p>Complete contracted projects for the Airport Pavement Evaluation (Hoskins, Tokua and Madang), Improvements to the International Arrivals Domestic Airport Transfer Facilities, and Airports Certification Quality Assurance; and tender, award and monitor contracts for the Baggage Security Screening Upgrade of International and Domestic Airports, and the Building Management Systems Upgrade (through the National Airports Corporation).</p>	<p>Airport Pavement Evaluation (Hoskins, Tokua and Madang) – project physically and financially completed.</p> <p>Improvements to the International Arrivals Domestic Airport Transfer Facilities – project physically and financially completed.</p> <p>Airports Certification Quality Assurance – Project physically completed with one final financial claim to be processed.</p> <p>Baggage Security Screening Upgrade of International and Domestic Airports – TSSP involved as an observer to the tendering process. The first tender was assessed as unacceptable as both tenderers were deemed non-compliant. A new tender was called and two tenders have been received. The Tender Evaluation Committee is scheduled to meet late August 2011 to evaluate the tenders. Recommendation to NAC Board expected September 2011.</p> <p>Building Management Systems Upgrade – tender documents partially completed in the reporting period. Call for tenders scheduled for late September 2011.</p>	

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SGP Security and Safety		
This section reports on progress against SGP security and safety objectives within the aviation and maritime sectors.		
SGP to support the reestablishment of the TSCMIC Transport Security Sub-Committee with secretariat services in line with agreements reached as a result of the 2010 TSCMIC Framework Review.	TSCMIC Transport Security Sub-Committee met on 10 March and 2 June 2011 and minutes produced.	Next meeting of the TSCMIC Transport Security Sub-Committee to be held on 11 August 2011.
Transport Security Policy Unit		
Establish and recruit staff to a Transport Security Policy Unit.	Not progressed in the reporting period.	Position descriptions and unit structure have been finalised and a letter to the Department of Personnel Management seeking permission for the proposed structure has been drafted.
Identify gaps and develop related security policy and legislation in transport security for aviation and maritime sub-sectors.	Not progressed in the reporting period.	A forward workplan has been drafted but not yet implemented. Workplan details to be finalised once the unit is established. Some work is being progressed under the newly established Transport Security Sub Committee of TSCMIC.
Develop and review the capacity to analyse transport security issues; effectively oversight transport security, coordinate the development and implementation of comprehensive security plans, policies, regulations, and programs in responding to (potential) threats to the security of the transport systems.	Not progressed in the reporting period.	
Prepare a comprehensive National Transport Security Program, recommending rules and regulations for the efficient operation of air/civil aviation and water/maritime transport security.	Not progressed in the reporting period.	

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2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Encourage linkages with relevant Australian security agencies under the auspices of the Transport MoU.	Linkages have been established with the Office of Transport Security. An Office of Transport Security audit of Jacksons Airport was finalised in Q1, 2011.	A Department of Transport Maritime Security Unit officer will be sent to the Office of Transport Security for four weeks under a mentoring program in Q4, 2011. Once the Transport Security Policy Unit has been established more opportunities for linkages will be explored.
Maintain and increase PNG's engagement on security within the international arena.	PNG has increased its engagement internationally. Representatives of the transport sector attended the APEC Transportation Working Group meeting in Brisbane in Q2, 2011. Representatives from the Department of Transport attended a Border Security Workshop in Sydney in Q2, 2011.	The newly appointed Minister for Works and Transport has agreed to attend the APEC Transportation Ministerial meeting in San Francisco in Q3, 2011. Officers of the Department of Transport will support the Minister at this meeting. Officers will also attend additional meetings being held in the margins of the Ministers' meeting including Secure Trade in the APEC Region, Counter Terrorism Task Force, and the Senior Officials Meeting. The MoU on Transport Senior Officials Meeting will be held in Brisbane in Q4, 2011. Transport security forms part of this agenda. Representatives from the Department of Transport will attend a Maritime Security Workshop in Melbourne in Q3, 2011.
Aviation Security		
Develop a response to the International Civil Aviation Organisation (ICAO) Universal Security Audit Program (USAP) report.	Corrective action plan (CAP) developed and submitted to ICAO within the agreed deadline. ICAO accepted the CAP without change.	CAP to be completed, submitted and accepted.
Develop a corrective action plan based on the findings of International Civil Aviation Organisation (ICAO) Universal Security Audit Program (USAP) report; and implement and monitor required corrective actions.	Implementation of the CAP is about 33% complete. It is expected that the work will be completed before the end of 2011.	CAP to be completed, submitted and accepted.
Develop appropriate policy and legislative amendments, consequential to the ICAO USAP report.	Implementation of the CAP is about 33% complete. It is expected that the work will be completed before the end of 2011.	The work required to put in place all the actions committed in the CAP will be finalised before the end of 2011.

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2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Implement enhanced security measures and controls.	The power to impose Additional Security Measures (ASM) will come with the finalisation of CAR Part 108 for air operators. Rule Parts 139 and 140 will need to be amended to allow for ASMs at airports and for security service providers.	Rule Parts 139 and 140 will need to be amended to allow for ASMs at airports and for security service providers. Proposals for the changes to the Rule Parts will be prepared and submitted to the CEO CASA by November 2011.
Develop tools to support the performance of regulatory oversight functions.	Tools are being developed along with implementation of the ICAO CAP. They are approximately 33% complete.	This is to be finalised by the end of 2011.
Participate in and make the associated improvements resulting from: <ul style="list-style-type: none"> • Five Civil Aviation Rule Part 108 (Air Operator Security Program) audits • Two Civil Aviation Rule Part 139 (Aerodrome Operating Certificate) audits • Two Civil Aviation Rule Part 140 (Aviation Security Service Organisation) audits • Thirty inspections / tests of aviation security controls and procedures • Required assessment(s) of Civil Aviation Rule Part expositions. 	Civil Aviation Rule Part 108 has been amended and associated Advisory Circular (AC) developed. A Notice of Proposed Rule Making (NPRM) was prepared and signed by the Minister. The Rule Part, AC and NPRM will be uploaded to the CASA website during the week commencing 8 August 2011. Four CAR Part 139 audits conducted. The major audit of Port Moresby International Airport was deferred to late August 2011. No CAR Part 140 Certificate audits were conducted as the CEO of CASA refused to renew the certificate of the National Aviation Security Service (NASS). Significant work will be required in ensuring the National Airports Corporation (NAC) attains a standard acceptable to the CEO. Only 15 tests were conducted due to staff being on training courses for a significant part of the six month period. Two assessments of expositions are underway but not completed.	Details of the required changes to Rule Part 108 have been forwarded to all operators with aircraft configured to more than nine passenger seats. This was confirmed at the Aviation Safety Forum of 3 August 2011. Aviation Security Branch staff have been in contact with NAC to explain what is required to renew their Part 140 certificate. Additional meetings have been scheduled for August 2011. A Part 140 audit of G4S will be conducted in Late August or early September now that it is the sole security service provider. An increase in tests and surveillance is expected in the second half of 2011 as all staff should be available. A paper is being prepared for submission to the CEO on security designating five aerodromes. If accepted, this will require the Aviation Security Branch to ensure the airports are in a position to submit and assess expositions.
Maritime Security		
Commence the implementation of the new simplified maritime security planning model across industry.	Roll-out of the new simplified planning model is progressing. The unit assessed and approved two simplified security plans and assisted with the development of another. Also promulgated Security Notice No.1 to industry to complement simplified plans and provide guidance to operators. Development of plan assessment template and guidance for staff has commenced.	Security planning model is not well understood by industry. However, a simplified model will assist and will be promoted and explained to industry at a maritime security seminar being held by the Department of Transport in Q3, 2011 The Department of Transport will need to provide increased leadership in this area and increase efforts to progress implementation nationally.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Improve maritime industry capacity to undertake risk assessments.	Roll-out of the new risk assessment process is ongoing. The risk assessment process has been documented. The unit facilitated one risk assessment workshop for industry. Staff training is being provided to individuals in conjunction with risk assessment workshops. To date, two staff have understudied this process.	Risk assessment principals are not well understood by industry but will be explained more fully as a first step at a maritime security seminar being held in Q3, 2011. The Department of Transport recognises more leadership in this area is required and is hosting the seminar. It is hoped more industry participation seminars will be held in the future.
Improve the information management system.	Filing system updated prior to the external audit by the Secretariat of the Pacific Community – which found nil deficiencies. Information is being consolidated on a shared drive.	Information sharing is not strong and progress will continue to be slow and incremental.
Improve oversight of ship security through compliance auditing, assessment of ship security assessments/plans and administration of ship RSOs.	The PNG ISPS Ship Register has been increased to 28 ships. Relationships and communications established with ship owner/operators. The Department of Transport has obtained 20 copies (70%) of ship security plans and associated documents to date and conducted inspections of 17 (60%) of PNG ISPS ships. The Department of Transport has conducted a meeting with one Recognised Security Organisation. Inspection of ships, collection of documentation and discussion with ship owner/operators has identified owner/operator concerns and improved insight into performance of approved RSOs. The Department has issued three full International Ship Security Certificates.	Increased engagement with internationally recognised organisations (Recognised Security Organisations) will result in increased/closer external scrutiny, to be managed by the Department of Transport.
Develop/review and improve operational policy, compliance standards, templates, standard operating procedures and associated guidelines.	<ul style="list-style-type: none"> • Template/guide developed for simplified plans • Template developed for assessment of simplified plans • Risk assessment process has been documented • Promulgated Security Notice No.1 to complement simplified model and provide guidance to operators. 	Additional resources are required to document policies, standards and procedures. Progress will continue to be slow and incremental.
Support the development of a maritime security policy function in DoT.	The development of a maritime security policy function awaits the establishment of a central transport security policy unit within the Department.	Team will remain responsive to any developments in establishing the new policy function.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Improve maritime security incident investigation capacity.	Not progressed due to the lack of priority incidents – effort redirected towards approved capacity building workplan, specifically the revision of the Merchant Shipping (Maritime Security) Regulation which has been workshopped three times with extensive input provided to the Department of Transport's Legal Office.	Focus will continue on revised Regulation. Consultation draft is to be tabled with industry at the Maritime Security Seminar in Q3, 2011 with a final draft to be circulated.
Develop a quality control system for assessment of security assessments/plans and the auditing ports/ facilities/ships.	Not progressed during the reporting period. Effort redirected towards approved capacity building workplan, and continuing the compliance program to ensure all port facilities achieve/maintain certification. Compliance activity by the unit was focused on the audits/inspections by Secretariat of the Pacific Community (SPC) and US Coast Guard (USCG). Staff participated in joint SPC-DoT audits of three port facilities, finding minimal deficiencies. Coordinated and participated in US Coast Guard inspections of three port facilities, finding nil deficiencies.	Focus will continue on compliance in the short term. Increased effort needed towards: <ul style="list-style-type: none"> • strengthening the compliance system • pursuing/investigating non-compliant operators.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Crosscutting Policy Implementation		
This section reports on cross-cutting policies under the Transport Sector Support Program		
Gender		
Review the Transport Sector Gender Strategy and Implementation Plan to ensure alignment with the new GoPNG policy frameworks and priorities.	Activity commenced Q2, 2011 with all necessary GoPNG policies collected and literature review commenced. Review is currently underway.	Review to be completed and finalised by early Q4, 2011.
Implement and commence monitoring pilot projects in a Men's and Women's Lifestyles Program (PNGPCL).	Survey questionnaire on outcome and impact of the Personal Viability Training supported. Review and input provided into medical forms used for health checks to ensure sex aggregated data is available for M&E purposes and forward planning.	Outcome of the survey will be compiled into a booklet aimed at sharing the "success stories" of the personal viability training on the lives of individuals and families in Q4, 2011.
Draft/review policies on gender that are linked to and consistent with agency corporate plans.	Review of the Maternity and Breastfeeding Leave Provisions under the PNGPCL Leave Policy was commenced upon request by HRM/Life Skills Coordinator and Coach. PNGPCL policies with a bearing on gender were reviewed to ensure consistency with policy commitments on gender rights at work. NRSC draft gender policy completed in the reporting period and awaiting presentation to management for approval.	Review of PNGPCL policies may recommend amendments to the current Leave and other related policies. Support will be provided to assist implementation.
Draft/review policies on domestic violence that are linked to and consistent with agency corporate plans.	Domestic Violence policies approved and launched for PNGPCL and DoW. Consultations undertaken to advance implementation of policy at PNGPCL and advice provided to a series of awareness plans. Developed a Q&A Factsheet for PNGPCL to generate awareness of its Domestic Violence Policy.	Additional Policy Implementation Training and Awareness sessions will be conducted in Q3 and Q4, 2011. Agencies will be encouraged to participate and facilitate investment in developing technical skills of counterparts.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Develop, implement and commence monitoring of agency-specific gender actions plans based on the findings of structured situation analyses that diagnose the status of gender inclusion throughout internal processes.	<p>PNGPCL Policies are now in place with a review underway on gender policy. Awareness activities of DV Policy have been planned in the reporting period for roll-out later in the year. Monitoring and evaluation of the life skills programs commenced.</p> <p>DoW DoW approved and launched its Gender Equality and the Domestic Violence Policy on 8 March 2011, International Women's Day.</p> <p>NRSC Finalisation of the agency's gender policy has progressed in the reporting period though additional agency resources are required to complete the policy within prescribed timelines.</p>	<p>PNGPCL implementation has benefitted from an investment in human resources to progress activities and a specific budget to facilitate mainstreaming.</p> <p>In Q3 and Q4, 2011 TSSP implementation phases will be prioritised through awareness and mainstreaming activities.</p> <p>Support to NRSC management decision making processes will be provided with a view to gaining buy-in of awareness activities and approval of policy ahead of White Ribbon Day on 25 November 2011.</p>
Monitor outputs with regard to gender contract obligations (DoW).	Contract checklist drafted to assist monitoring of gender requirements of DoW road contracts.	Effective monitoring of contract checklist to be accompanied by capacity building activities of gender issues in contract administration team at DoW.
HIV & AIDS		
Review the Transport Sector HIV and AIDS Strategy and Implementation Plan to ensure alignment with the new GoPNG policy frameworks and priorities.	National Development policies and strategies documents (<i>Vision 2050</i> , MTDP and NHS) reviewed in preparation for the review of the TSSP HIV&AIDS strategy review. Attended NHS strategy implementation review workshop along with counterparts from DoW. Commenced planning with DoW on working towards achieving national HIV&AIDS objectives by using the NHS Implementation Framework and M&E framework. Stage 1 of review completed, including an alignment assessment of the TSSP strategy with the National HIV and AIDS Strategy.	<p>Need to further develop consultations (gender, domestic violence and HIV&AIDS) with the wider workforce within agencies to support whole-of-agency input and contribution to the policy development process.</p> <p>Consultations to support increased ownership and leadership at the management level will be undertaken.</p> <p>The TSSP HIV&AIDS strategy review process will work closely with GHAHRRG members in Q3 and Q4, 2011 to facilitate a sector approach where possible. A strategy review workshop for the sector will be held later in the year to facilitate a wider consultation process.</p>

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Develop, implement and commence monitoring agency-specific gender and HIV and AIDS actions plans.	<p>DoT and DoW were assisted to develop a Healthy Lifestyle Program Action Plan aimed at creating education and awareness among employees on cross cutting issues (gender, domestic violence and HIV& AIDS); common lifestyle diseases; and welfare issues. The action plans were endorsed by the agency and planning for funding assistance and ongoing budgetary support commenced.</p> <p>DoT introduced a Marie Stopes reproductive health education and awareness program for its officers and introduced medical checks for employees wishing to know their health status.</p> <p>At PNGPCL, Life Skills Program activities are implemented with a reduced level of assistance from TSSP advisers due to increased agency capacity. TSSP advisers are working with PNGPCL counterparts to develop a monitoring and evaluation tool kit to commence data collection for monitoring, evaluation and reporting.</p>	<p>Though all agencies have workplace HIV&AIDS policies in place, many agencies are yet to commit resources through their annual budgetary processes to support the implementation of policies.</p> <p>At DoW, TSSP Advisers will work with counterparts to develop an Annual Activity Plan (AAP), and a funding proposal to the National AIDS Council for inclusion in its 2012 Development Budget submission to the National Department of National Planning and Monitoring.</p> <p>In Q3, 2011, assistance will be provided to PNGPCL to develop a questionnaire survey regarding the Personal Viability training course employees are undertaking as part of the Life Skills Program. Information will be collected on health checks, cross cutting issues education and awareness.</p>
Draft/review policies on HIV and AIDS that are linked to and consistent with agency corporate plans.	<p>DoT, DoW, PNGPCL and NMSA have policies in place. Implementation plans are still to be developed consistently across all agencies. DoT policy is undergoing a further review.</p> <p>NRSC's policy has been prepared to a final draft stage and is awaiting final approval.</p> <p>NMSA's HR manual was reviewed to integrate HIV&AIDS provisions in the manual.</p> <p>Further work is required with counterparts in NAC, PNGASL and CASA to develop their policies.</p>	<p>Further strategies are required across transport sector agencies to improve capacity building in crosscutting policy development. Policy consultation and management review processes need to be improved as part of this process. Implementation plans and budgetary support remain a priority area.</p>

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
<p>Through the Gender and HIV&AIDS Human Resource Reference Group (GHAHRRG), develop, implement and commence monitoring of agency-specific HIV&AIDS action plans, based on the findings of structured situation analyses and utilising an HIV&AIDS checklist.</p>	<p>Development of Action Plans utilising the GHAHRRG process has been adhoc. Further coordination with transport agencies is ongoing to further develop crosscutting action plans for the sector. Capacity building in action planning has been a core focus of the in-agency placements of the TSSP Gender and HIV&AIDS Advisers since Q1, 2011. In-agency placements has resulted in each Adviser being situated in each agency one week a month (at alternate times) to work directly alongside counterparts. Progress in action planning has been fed back into the GHAHRRG process with key results in the reporting period including:</p> <ul style="list-style-type: none"> • Joint planning for the transport sector's involvement in AusAID's gender showcase in February 2011 • Sector observation of International Women's Day • Strengthening of GHAHRRG coordination amongst agencies – with agencies now hosting and chairing the meeting on a rotating basis • Budget planning and information exchange on agency resources to implement cross cutting policies and applications for alternative funding sources. 	
<p>Progress, implement and commence monitoring of a maritime sub-sector (PNG Ports) Men's and Women's Lifestyles Program that includes wellness checks and encompasses HIV and AIDS issues.</p>	<p>Planning undertaken with PNGPCL to improve monitoring of the Life Skills Program. Questionnaire drafted to inform the assessment of the impact and effectiveness of the program and future strategies.</p>	<p>In Q3, 2011 questionnaire will be distributed and data analysed. In Q4, 2011 intervention programs will be designed in response to the data results. PNGPCL's Life Skills Program has been an effective example of HIV&AIDS mainstreaming in the transport sector, where HIV&AIDS issues have been addressed through a broad range of life skill activities that promote the health and wellbeing of employees and their dependants.</p>

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Monitor outputs with regard to HIV and AIDS contract obligations (DoW).	Reviewed gender and HIV&AIDS provisions in the Standard Contract Bidding Documents at DoW. The HIV& AIDS provisions were integrated into the document and contractors are adhering at varying levels to the provisions. The need for monitoring and evaluation of contractor's response to HIV&AIDS contract agreement requirements involves further development.	Planning to support DoWs monitoring and evaluation of contractors HIV&AIDS responsibilities will occur in Q4, 2011. Options for a M&E tool kit will be considered with DoW.
Continue promoting awareness-raising sector-wide World AIDS Day activities.	World AIDS Day will be observed on 1 December 2011 and TSSP Advisers have started to support the planning activities for agency-led commemoration events. Meetings of GHAHRRG have discussed the issue across the sector.	Further encouragement, management support and practical advice will be provided to agencies to commemorate World AIDS Day. Support will be provided to the sector to develop theme information and cross-sector activities where possible.
Environment		
DoW		
Strengthen Environmental/Climate Change planning, contracting and monitoring of outcomes (DoW).	Climate Change planning was included in the Oro Province bridge design contract. Information sessions on climate change design were held and design improvements to drains and culverts are being implemented. Environmental Management Plans, which considers climate change planning, are now required as part of contract documentation.	Environmental Management Plans will continue to be reviewed on a monthly basis – and support will be provided to Dow's liaison with contractors regarding environmental contractual obligations.
Continue dialogue on climate change with the national and international communities.	Climate change planning is increasingly mainstreamed into maintenance activities through Environmental Management Plans.	National and international dialogue opportunities will continue to be explored on a case-by-case basis, noting the information exchange/sessions undertaken in Q4, 2010.
PNGPCL		
Strengthen Environmental/Climate Change planning, contracting and monitoring of outcomes.	Scoping commenced for PNGPCL to measure its carbon footprint, with a view to reducing carbon emission as a percentage of throughput. Work will be further progressed on inserting components within tenders requiring contractors to declare their CO2 reduction/mitigation policies. PNGPCL has purchased a significant parcel of land and plantation north of Madang and intends to investigate a number of initiatives including carbon offsets, training and sustainable development of the plantation.	Capacity within PNGPCL to transparently measure the environmental impact of its operations is limited. Initiatives to build capacity in this area will be examined in Q3 and Q4 2011.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Monitoring and Evaluation		
This section reports on monitoring and evaluation activities within the transport sector program, within and among sector line agencies, to TSCMIC and to AusAID		
Undertake an annual review of the TSCMIC 2011 Strategic Framework.	<p>The final TSCMIC Strategic Framework Review 2010 was presented to TSCMIC in January 2011. Major recommendations endorsed by TSCMIC included:</p> <ul style="list-style-type: none"> • TSCMIC, because of their substantial potential value, reactivate both the Aid Effectiveness and Transport Security Sub-Committees through clear Terms of Reference and additional Secretariat support; • TSCMIC develop a simple, targeted communication strategy for promoting the transport sector to central agencies, key stakeholders and the general public; • TSCMIC, through DoT, encourage the NTS drafting team to include an appropriate and meaningful Monitoring, Evaluation and Reporting framework to encourage the collection of meaningful data to enable transport sector reporting; and • TSCMIC revise their Strategic Framework when the NTS has been finalised and endorsed by GoPNG. 	Planning for the TSCMIC Strategic Framework Review 2011 will commence in September 2011. It is anticipated that the review will be planned around the release of a final version of the NTS.
Oversee design and implementation of an independent qualitative socio-economic impact study (Performance Story Impact Study) (PSIS) to build on the findings of the quantitative independent study undertaken in 2010.	Following completion of the quantitative Socio Economic Impact Study (SEIS) in October 2010 and meetings with AusAID through Q1 & Q2 2011 to seek broader AusAID engagement in the proposed PSIS, it is anticipated that final Terms of Reference incorporating AusAID views will be endorsed by AusAID in early Q3, 2011.	A detailed Project Plan will be prepared and procurement of the PSIS will take place in Q3, 2011 through ISP Procurement systems as agreed with AusAID. Project is planned to commence in Q4 and completion anticipated by May 2012.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Assess the viability of initiating an independent impact study on the effectiveness and appropriateness of the Transport Sector Capacity Building Framework.	No additional action undertaking during the reporting period.	A final decision with regard to implementation of this project will be negotiated with AusAID in Q3, 2011. Draft ToRs are well advanced for the proposed project and procurement would be through ISP systems. If a decision is made to proceed with the study, procurement would need to commence in Q3, 2011. The study would potentially provide an independent view on impact achieved under the Transport Sector Capacity Building Framework. The need for this additional study is to be considered in connection with the review on program capacity building undertaken by the TSSP Review and Design Mission Team in Q3, 2011.
Undertake and document Performance Story Reports (PSR) evaluating the effectiveness of the capacity building approach within the Engineering Division of DoW and for financial management across the transport sector agencies; and strengthen M&E for the Staged Capacity Building Practice Model.	Preparation of the PSR evaluating the contribution of the TSSP Legal Adviser within DoT towards the achievement of capacity building outcomes in the DoT Legal team continued through Q1 & Q2, 2011. A near final draft was reviewed with the DoT legal team and the Transport Sector Lawyers Network. Scoping for preparation of a PSR within the Engineering Division of DoW commenced.	It is anticipated that the legal PSR will be reviewed by the Sec DoT and submitted to AusAID in Q3 2011. Scoping will be completed and implementation of a PSR process for the Engineering Division of DoW will commence in Q4 2011. It is anticipated that a draft PSR would be completed by end of Q4 for final submission to AusAID in Q1 2012.
Incorporate SGP activities and outcomes within Transport Program Monitoring and Evaluation. TSSP/SGP meetings will continue around key planning, monitoring and evaluation, and capacity building themes; with SGP transport sector advisers formally entering into the sector's capacity building and monitoring and evaluation frameworks.	Three SGP Transport Sector Advisers were introduced to the Transport Program Capacity Building and M&E approaches at a half day workshop in Q1, 2011. SGP advisers continued to provide six monthly reports in the same template used by TSSP advisers as well as providing additional reporting information to inform preparation of the Transport Program Annual Report 2010 and this report. Regular information sharing meetings between the TSSP Program Manager and the SGP Senior Adviser were convened.	SGP advisers will be engaged in the preparation of the Transport Program Annual Plan for 2012 in Q4 2012. SCBPM workshops for SGP Advisers will be planned for Q3 and Q4, 2011 and capacity building plans developed.

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Prepare and gain approval to release reports that include the Annual Transport Sector Performance Report and the Implementing Service Provider Performance Report.	<p>An early draft of the Annual Transport Sector Performance Report (ATSPR) 2010 was provided to AusAID in February 2011 to assist in preparation of the AusAID Sector Performance Report. The subsequent final draft was approved by AusAID in March and endorsed by TSCMIC in May 2011.</p> <p>The approach for the ISP Contractor Performance Review 2011 was approved by AusAID and implemented in Q4 2010.</p>	<p>Data collection for preparation of the ATSPR 2011 will commence in Q4 2011.</p> <p>The report on the ISP Contractor Performance Review July 2010-June 2011 was completed in Q3, 2011 and submitted to AusAID to enable scheduling of annual ISP contractor performance review discussions.</p>
One full team workshop (TSSP and SGP) will occur during Quarter 1 with a strategic forward planning focus.	<p>In support of the design phase of TSSP2, the TSSP implementing team held a participatory workshop over two sessions to critique, evaluate and document program experiences, learnings and success stories from TSSP1. The second session focussed on GoPNG agency counterparts testing and validating outcomes prepared by the TSSP team in the earlier session and developing their own outcomes and recommendations for TSSP 2 implementation.</p> <p>The entire TSSP adviser and specialist team attended the first session on 29 June 2011, while the second session on 1 July 2011 involved attendance by 32 counterparts and 26 TSSP team members. Three reports documenting: <i>Collated Outcomes and Recommendations for TSSP</i>, <i>Counterpart Success Stories</i> and <i>TSSP Adviser Success Stories</i> will be provided to the AusAID Review and Design Mission Team as well as all workshop participants.</p>	

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Continue raising awareness on the importance of, and the move towards incorporation of whole-of-life asset management planning.	<p>Moving towards whole of life asset management approaches is addressed through various approaches appropriate to each transport sector agency:</p> <p>PNGASL Team Leader performance graphs were produced and have been in use for the first half of 2011. A graph is also produced for overall performance against the GM Maintenance and Engineering. These graphs display how many scheduled maintenance task cards had been issued against how many had been completed. The data clearly demonstrated a lack of commitment to ensuring scheduled maintenance is completed on time. As a result, a Maintenance Planner has been appointed to control the planning of all scheduled tasks. This has resulted in a significant improvement in task card completion.</p> <p>PNGPCL PNGPCL have completed population of their asset management register and commenced revaluation with anticipated completion Q3 2011.</p>	<p>PNGASL Maintenance and Engineering have undertaken an organisation review in preparation for the 2012 budget. This has resulted in positions being created for an additional planner position, a Team Leader Planning and a Clerk for Administration and Travel. It is anticipated these will have approval in Q3, 2011. This will support improvement to all maintenance of assets with planning driving production. Training of the planners will be undertaken by the Adviser early Q3, 2011.</p> <p>PNGPCL 'Book' values will be assigned in Q4, following which PNGPCL will formally introduce a 'whole of life' asset management process, building on the extensive foundational work undertaken during 2010.</p>
Continue and expand dialogue (networking and information-sharing) among the Asset Management Inter-Agency Technical Working Group, particularly in relation to asset maintenance work planning that encompasses the "full funding envelope" and all sources.	<p>Two Transport Infrastructure Asset Management Working Group (TIAMWG) meetings were convened in Q1 & Q2 2011:</p> <ul style="list-style-type: none"> • 18 March 2011 Theme: Considering Impacts of Climate Change in planning for management and maintenance of transport infrastructure. Presentation by Manager, Environment DoW – Mr Willie Asigau; Attendance: 17 M 1 F • 17 June 2011 Theme: Engaging Communities in Management and Protection of Transport Infrastructure. Presentations: DOT Legal Team – "Update on status of Protection of Transport Infrastructure Strategy and Legislation"; Ms Dinah Omeneffa, Manager Community Development Program, NMSA, "NMSA Lighthouse Protection Program"; Mr Roy Mumu, CEO NRA "NRAs Community Engagement Program". Attendance: 26 M 4 F 	<p>Proposed topics for discussion at meetings in Q3 and Q4 include:</p> <ul style="list-style-type: none"> • Using the Infrastructure Management Manual • Environment Management Framework and Revisiting Transport Sector Agency Asset Management Policy and Strategy

Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
TSSP Environment Management Framework - Continue and expand/promote dialogue (networking and information-sharing) through the Assets Management Inter-Agency Technical Working Group.	Environment Management Plans (EMPs) continue to be routinely prepared and implemented by road maintenance contractors engaged by DoW. Implementation of the EMPs continue to be monitored through quarterly review meetings with the PMCs.	EMPs are currently largely being used as a tool by DOW only and the Environment Management Framework will be presented to the transport sector agencies at one of the TIAMWG sessions in Q3 & Q4, 2011.
Continue and increase the level of M&E support and assistance to transport sector agencies particularly in relation to corporate and strategic planning.	Discussions have been held with DoW Policy and Planning branch with regard to providing a program logic workshop to assist the design of the Rural and Remote Service Delivery Model Pilot Project.	Program Logic workshops are planned for: <ul style="list-style-type: none"> • DoW Policy and Planning Branch September 2011 • DoT Policy and Planning Wing October 2011 (This has been planned to follow on from the M&E workshop described below). The intention of these workshops will be to assist agency officers involved in policy development to understand the concept of articulating strategic outcomes; rather than working at activity level.
Strengthen agencies' ability to internally address the M&E requirements of their corporate and strategic plans by encouraging the membership and participation of agency officers in the PNG Association of Professional Evaluators (AOPE).	Membership forms for the PNG Association of Professional Evaluators (AOPE) were distributed through advisers to agencies in late 2010. The PNG AOPE was officially launched by the Secretary of the Department of Provincial Affairs and Local Level Government on 23 March 2011. This event was attended by the TSSP CBS, M&ES & Gender and HIV& AIDS advisers. All agencies were sent an invitation. AOPE convened a planning workshop on 6 April 2011 attended by the TSSP M&ES and HIV&AIDS Adviser.	AOPE conducted a one day workshop titled 'M&E from start to finish' on 7 July 2011. This was attended by 4 DoT counterparts, the TSSP Policy Development Adviser in DoT and the TSSP HIV& AIDS adviser. TSSP will continue to encourage relevant counterparts in all transport sector agencies to join their own association and support them to participate in learning events.
Disseminate findings of the 2010 Socio Economic Impact Study to provincial and national stakeholders.	A presentation of SEIS findings was provided to AusAID in Q1, 2011. Subsequently, a range of communication products were prepared including a 'Summary for Policy Makers' and a summary of the study's quantitative and qualitative data for the study villages in each of the ten provinces. A comprehensive dissemination plan has been prepared and approved by both AusAID and DoW, with the dissemination to be led by the DoW AS Policy and Planning, with the support of TSSP M&ES and the TSSP P&P DoW Adviser.	Dissemination will continue in Q3 & Q4, 2011 with presentation of findings to the DOW Field Staff Conference. A seminar for stakeholders to be held through DoW HQ will be conducted. Visits to communities as part of pre-engagement for the PSIS will occur (Sandaun, ARB and New Ireland) and visits to other provinces as opportunities arise e.g. Milne Bay with planning visits for the DOW Rural Service Delivery Pilot Project.

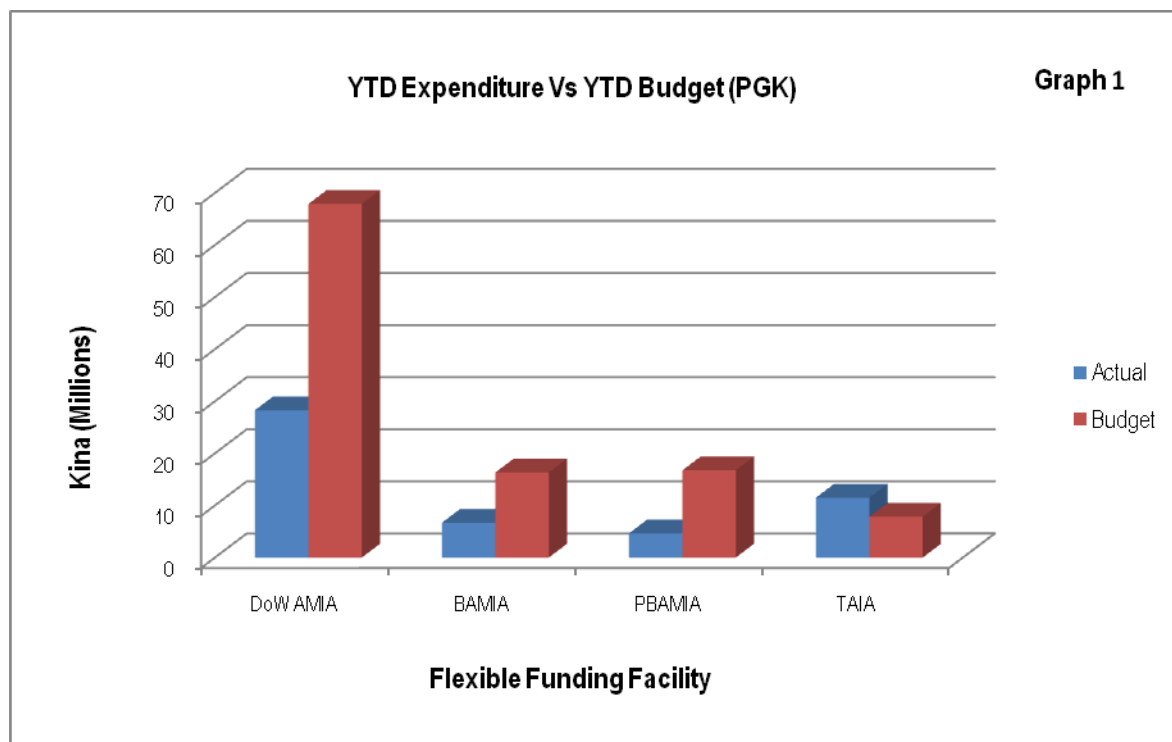
Transport Sector Program Six Monthly Report (January-June 2011)

2011 Annual Plan Activity Commitment	Activity Progress (January-June 2011)	Emergent/Implementation Issues (including progress planned for remainder of the year)
Review/Strengthen M&E for the Staged Capacity Building Practice Model, Gender and HIV&AIDS.	Planning and preparation activities were undertaken with regard to strengthening M&E for the SCBPM, in particular the essential participation of counterparts in preparing progress reports against the agreed plans. Recording of counterparts views in the reporting process will ensure that the quarterly reports are more valid and reliable. (This will be formalised and implemented in Q3 and Q4, 2011.)	Draft HIV& AIDS and Gender M&E plans will be further reviewed and finalised in Q3 & Q4, 2011.
Project Management Training Module developed.	Though Q1 & Q2, 2011 a Project Management Training Module and tools have been prepared by the PNGASL Project Management Adviser and M&ES for initial trialling in PNGASL and subsequent delivery into other agencies upon request.	Project Training is planned for delivery to approximately 23 middle to senior level PNGASL officers on 8 August 2011.

4. FINANCIAL REPORT

TSSP currently maintains two funding facilities: The Technical Assistance Fund and the Infrastructure Asset Maintenance Fund. Funds are held in a number of bank accounts managed or overseen by the implementation Service Provider (ISP) as directed by the Program Director and/or AusAID.

Section 4 of the 2011 Six Monthly Report provides financial results for January to June 2011 and shows an underspend across all sectors, with the exception of Technical Assistance Imprest Account (TAIA), which is illustrated in Table 1.



- Expenditure for the Department of Works (DoW) was 58.3% less than the workplan for the first six months to June 2011. Actual expenditure amounted to AUD11.969M (PGK28.300M) which was AUD15.838M (PGK39.594M) less than forecast. The timely letting of contracts, contractors' capacity and external factors and have impacted on DoW expenditure levels being in line with workplans. Expenditure at Bougainville was 59% less than forecast due to a major re-sealing project being deferred from Q2 2011 to Q3 2011. The tender bids for the re-sealing project are currently being evaluated and it is anticipated that the project will soon commence. Actual expenditure in Bougainville amounted to AUD2.678M (PGK6.696M) against an original approved workplan for the first six months of AUD6.536M (PGK16.340M).
- There have been no tranches received for Public Bodies during 2011, however, due to a transfer from Bougainville's Imprest Account, the closing balance at the 30 June 2011 is greater than the opening balance. In Q4, 2010, Bougainville was in need of additional funds and a transfer was made from the Public Bodies Imprest Account to the Bougainville Imprest Account with AusAID approval. When Bougainville had received its tranche, the necessary transfer was made from the Bougainville Imprest Account to the Public Bodies Imprest Account in Q1, 2011.

- There has been no expenditure at PNGPCL from January to June 2011 and there are no projects planned for the remainder of the 2011 calendar year.
- Implementation of an organisational restructure of the aviation sector preceded approval of new legislation, the announcement of Board membership and the introduction of Board approved financial delegations. As a consequence, a temporary TSSP funding freeze (projects and personnel) was implemented in February 2010 pending resolution of associated issues. Since the suspension of funding to CASA/NAC, AusAID has approved payments for in-line positions and projects that had already been commenced before the aviation sector restructuring commenced. These AusAID approved payments have been monitored by TSSP advisers and the FMS to ensure that the payments were made in accordance with the approvals. A tender process for a new baggage screening upgrade is currently being commenced by NAC and a funding mechanism will need to be agreed by AusAID to allow for the issuance of a Letter of No Objection. As at 30 June 2011, authorised payments transferred to NAC for the calendar year represents only 7% of the approved workplan, with actual expenditure to 30 June 2011 amounting to AUD.0248M (PGK.0711M) of an approved workplan of AUD4.056M (PGK10.140M). The Financial Management Manual and the Public Bodies Financial Procedures Manual have been amended to take account of the new aviation entities and will be forwarded to AusAID for approval once the restructuring is complete and all legal challenges have been settled.
- Expenditure for PNGASL was 21% of its approved workplan. Actual expenditure to June 2011 was AUD1.600M (PGK4.000M) against a workplan of AUD7.741M (PGK19.353M). Expenditure to date has been for the NavAids Replacement Program and the Domestic V-SAT Completion and it is planned to fully expend the remaining AUD1.610M (PGK4.025M) on these two projects by year-end.

TSSP is continuing to review and refine its financial management practices in light of the recent independent audit which found that some practices were inconsistent with approved Financial Procedures Manuals, for example, information from agencies was being submitted after the due date. The revision of the manuals, taking into the account the findings of the 2010 audit, was trialed during the recent 2011 audit. Some minor amendments will be necessary following the independent audit and these will be included in the revisions that will be forwarded to AusAID for approval. Final amendments will not be made to the manuals until the results of the current Review and Design of TSSP for Phase 2 of the program have been completed. The findings of the recent procurement diagnostics review will also need to be incorporated into the various manuals. It remains to be determined whether the ISP will undertake the revision of the manuals or a contractor will be engaged to undertake the task.

Following the independent audit of TSSP in February 2011, there are currently two long standing financial administrative issues that require resolution:

- A breach was reported regarding the DoW Trust Instrument. The bank account was created solely to accept AusAID funding, but money has been deposited (PGK7.0M), with AusAID knowledge, from a source other than AusAID. This was necessary as no other account would guarantee that the funds were not used for purposes other than those intended. The DoF has finally agreed to the wording of the new Trust Instrument and the Secretary of DoW is to forward the new Trust Instrument to the DoF for acceptance. Once this has occurred, the bank account will be established and the GoPNG funds will be transferred.
- There were four inactive accounts at DoW that related to funding from AusAID for projects initiated prior to the formation of TSSP. There had been no activity in these accounts for over three years. Letters were sent from AusAID and DoW to Bank of South Pacific (BSP) instructing these accounts be closed and the money deposited to the DoW Asset Maintenance Imprest Account. The value of

the funds in the three accounts was AUD0.339M (PGK0.746M). One account had been closed by BSP due to the length of time that it had been inactive and the funds (AUD0.178M; PGK.391M) remitted to the Department of Finance. This matter was brought to TSSPs attention in Q2, 2010 and notified to AusAID in the non-compliance section of the June 2010 Quarterly Financial Report. The Bank of South Pacific has requested the return of the funds and TSSP continues to monitor and follow up.

Other issues exposed by the audit included:

- A few DoW provincial bank accounts have occasionally gone into negative balance. The audit suggested that TSSP work through DoW counterparts to amend provincial practices to avoid cheques being written before funds are placed in the bank accounts. Following investigation, it is apparent current practices cannot be amended as requested by the auditors. The provinces draw the cheques and based on the value of the cheques drawn, a request for reimbursement is made to DoW and TSSP DoW financial cell.¹ Once approval has been granted, the requested funds are transferred into the provincial account to cover the value of the cheques. It is TSSP's assessment that provided cheques are not released until such time as the funds have been received into the provincial bank accounts there will be no bank accounts being overdrawn. The DoW Financial Procedures Manual should have this departure from normal practices included in the accepted procedures for Provinces. The Financial Control Officer within the DoW TSSP financial cell continues to work with counterparts to ensure that cheques are not released until such time as the transfer has been deposited into the bank account.
- Problems are still being experienced with the timeliness of bank reconciliations from the provinces. As per the procedures set down in the DoW Financial Procedures Manual, it is a requirement for bank reconciliations to be received by TSSP from the DoW donor accountant within seven days. This happens irregularly. This has resulted in the TSSP DoW financial cell preparing and furnishing bank reconciliations to TSSP within the seven days so that TSSP month-end reporting can be completed. DoW is consistently non-compliant with this requirement. The TSSP DoW financial cell continues to work with DoW counterparts, and especially the DoW donor accountant, to resolve this issue. The DoW Financial Procedures Manual has been amended to stipulate that Provincial bank reconciliations are prepared by the TSSP DoW financial cell, which is the current practice, within seven days and the bank reconciliations received from the DoW donor accountant by month-end.

¹ The DoW financial cell comprises three administrative officers appointed by TSSP to administer and support all AusAID-TSSP financial transactions.

The following tables summarise movements on all the Program's flexible funding facilities for the six months to June 2011.

Table 2 summarises movements on all the Program's flexible funding facilities for the six months to June 2011 stated in PGK equivalent.

TSSP Flexible Funding Facilities Source & Use of Funds Statement Total PGK Equivalent Calendar Year to 30 June 2011								Table 2
	PGK Actual DoW AMIA	PGK Actual BAMIA	PGK Actual PBAMIA	PGK Actual TAIA (PNG)	PGK Equiv TAIA (AUS)	PGK Equiv Cons Adj	PGK Equiv TOTAL	
Opening Balance	136,378,613	13,442,990	47,891,210	1,830,485	4,912,848		204,456,147	
Sources of Funds								
Transfers from Other FFF	0	0	5,000,000	0	0	(5,000,000)	0	
Transfers from pre TSSP Programs	0	0	0	0	0		0	
Transfers from KRFG (now HHMC)	0						0	
Transfers from pre TSSP Programs - PGF	0						0	
AusAID Tranches - PGF	0	0	0	0	0		0	
AusAID Tranches - IFGI	0	0	0	0	0		0	
AusAID Tranches - EII	0	0	0	0	0		0	
Transfer from DoW/AusAID Closed Bank Accounts	0						0	
AusAID Tranches	41,394,255	12,860,745	0	0	16,237,605		70,492,605	
National & Provincial Governments	0	0	0	0	0		0	
GST Refunds	4,297,211	554,031	0	10,360	0		4,861,602	
Interest	148,664	10,675	50,495	1,579	237,823		449,236	
Total Sources	45,840,131	13,425,451	5,050,495	11,939	16,475,428	(5,000,000)	75,803,443	
Funds Available	182,218,744	26,868,442	52,941,705	1,842,424	21,388,276	(5,000,000)	280,259,590	
Uses of Funds								
Transfers to Other FFF	0	5,000,000	0	0	0	(5,000,000)	0	
Transfers for Infrastructure Asset Maintenance	28,300,351	6,696,217	4,644,404	0	0		39,640,972	
Payments for Technical Assistance - Advisers	0	0	0	251,313	9,489,622		9,740,935	
Payments for Technical Assistance - Consultancies	0	0	0	412,493	1,333,797		1,746,290	
Payments for Technical Assistance - In Line Positions	0	0	0	21,930	0		21,930	
Taxes	0	0	0	0	0		0	
Bank Fees	0	5	5	0	210		220	
Total Uses	28,300,351	11,696,222	4,644,409	685,735	10,823,629	(5,000,000)	51,150,347	
Closing Balance	153,918,393	15,172,219	48,297,296	1,156,689	10,564,647	0	229,109,244	

Table 3 summarises movements on TSSP's flexible funding facilities for the six months to June 2011 stated in AUD equivalent.

TSSP Flexible Funding Facilities Source & Use of Funds Statement Total AUD Equivalent Calendar Year to 30 June 2011								Table 3
	AUD Equiv DoW AMIA	AUD Equiv BAMIA	AUD Equiv PBAMIA	AUD Equiv TAIA (PNG)	AUD Actual TAIA (AUS)	AUD Actual Cons Adj	AUD Equiv TOTAL	
Opening Balance	58,295,086	5,683,100	21,329,364	709,290	2,151,832		88,168,671	
Sources of Funds								
Transfers from Other FFF		0	2,226,856	0	0	(2,226,856)	0	
Transfers from pre TSSP Programs	0	0	0	0	0		0	
Transfers from pre TSSP Programs - PGF	0						0	
Transfers from KRFG (now HHMC)	0						0	
AusAID Tranches - PGF	0	0	0	0	0		0	
AusAID Tranches - IFGI	0	0	0	0	0		0	
AusAID Tranches - EII	0	0	0	0	0		0	
Transfer from DoW/AusAID Closed Bank Accounts	0						0	
AusAID Tranches	16,300,000	4,850,000	0	0	6,550,000		27,700,000	
National & Provincial Governments	0	0	0	0	0		0	
GST Refunds	1,828,357	225,239	0	4,014	0		2,057,610	
Interest	63,048	4,293	22,489	612	97,578		188,020	
Total Sources	18,191,405	5,079,531	2,249,345	4,626	6,647,578	(2,226,856)	29,945,630	
Funds Available	76,486,491	10,762,631	23,578,708	713,916	8,799,409	(2,226,856)	118,114,301	
Uses of Funds								
Transfers to Other FFF	0	2,226,856	0	0	0	(2,226,856)	0	
Transfers for Infrastructure Maintenance	11,969,017	2,688,152	2,068,483	0	0		16,725,653	
Payments for Technical Assistance - Advisers	0	0	0	97,380	3,944,744		4,042,124	
Payments for Technical Assistance - Consultancies	0	0	0	159,836	555,904		715,740	
Payments for Technical Assistance - In Line Positions	0	0	0	8,497	0		8,497	
Taxes	0	0	0	0	0		0	
Bank Fees	0	2	2	0	104		109	
Total Uses	11,969,017	4,915,010	2,068,486	265,714	4,500,752	(2,226,856)	21,492,124	
Closing Balance	64,517,474	5,847,621	21,510,223	448,202	4,298,657	0	96,622,177	

A summary of projected expenditure from each of the flexible funding facilities for the six months from July – December 2011 follows:

TAIA	PGK 14.7M (AUD5.9M)
DoW AMIA	PGK 56.2M
Bougainville AMIA	PGK 12.7M
Public Bodies AMIA	PGK 31.9M
Total	<u>PGK115.5M</u>

Tranches will be required by DoW and the TAIA AUD accounts to cover expected expenditure to 31 December 2011.

The projected expenditure for DoW is less than the approved workplan due to the reduced work undertaken during the first six months. All other projections are as per the current workplans.

Sources and use of Funds January – June 2011

TSSP Funded Projects

Expenditure for the first six months of 2011 was less than planned. The majority of the underspend was in DoW which had an approved workplan of AUD27.158M (PGK67.894M) for the first six months. Actual expenditure for the first six months amounted to AUD11.969M (PGK28.300M) which was AUD15.189M (PGK39.594M) less than the workplan.

A PGK summary of TSSP Funded Projects from January to June 2011 is at Annex 1.

TSSP

A tranche amounting to AUD5.500M (PGK13.247M) was received in June for DoW TSSP projects. The majority of Asset Maintenance expenditure normally occurs within the TSSP funded projects, but this has changed during 2011 with the majority of the funds received being for IFGI funded projects. There was no TSSP funded expenditure from January to June 2011. See further Annex 2.

Infrastructure for Growth Initiative (IFGI)

IFGI funding of AUD10.800M (PGK28.147M) was received for DoW during the six months ended June 2011. Whereas funding had previously been for TSSP projects, current funding has been primarily for IFGI projects. Expenditure amounting to AUD11.157M (PGK27.893M)² has been made during the period Jan to Jun 2011. See further Annex 3.

Performance Grant Funds (PGF)

There were no Performance Grant Funds received for AusAID during the period and there were no payments made for PGF projects during the first six months. See further Annex 4.

Economic Infrastructure Initiatives (EII)

There was no EII funding received from AusAID during the period. To date, no projects have been identified as being funded through EII.

TSSP-IP Phase (TSSP-IP)

There was expenditure amounting to AUD0.163M (PGK0.408M) during the first six months against TSSP-IP (1.6% remaining, PGK1.5M). See further Annex 5.

National Road and Bridge Maintenance Project (NRBMP)

There was no expenditure during the first six months against NRBMP (36% remaining, PGK7.0M). See further Annex 6.

Bougainville

The Bougainville Department of Technical Services (DTS) in coordination with the Bougainville Project Management Consultant (PMC) implemented the 2011 works program. Due to the limited capacity within DTS, and limited funding within DoW in Bougainville, primary responsibility for planning and delivery of the maintenance program remains with the PMC in consultation with TSSP. Bougainville

² IFGI AUD and PGK numbers are inconsistent as the funds received from AusAID are at a fixed exchange rate, ie: at the time of receipt TSSP received AUD10.8 million at an exchange rate of 2.606. Expenditure has historically been set at an exchange rate of 2.5.

had an approved workplan of AUD6.5M (PGK16.3M) for the first six months but actual expenditure in the period amounted to AUD2.7M (PGK6.7M). The underspend was due to an AUD3.0M (PGK7.5M) re-sealing contract being originally budgeted to be completed in Q2 2011, and this contract will now be commenced in Q3, 2011. Annex 7 provides detail on expenditure from January – June 2011 in PGK.

National Airports Corporation (NAC): Civil Aviation Safety Authority (CASA) / PNG Air Services Ltd (ASL)

Payments to NAC/CASA continue to be suspended during the period as a result of organisational restructuring preceding formal approval of underpinning legislation and the development of formally agreed financial delegations and associated procedures. One-off payments have been approved by AusAID, under strict oversight provisions, thereby enabling NAC/CAA to meet existing contractual obligations under pre-existing approvals. Payments for Asset Maintenance and Technical Assistance projects have been made to NAC amounting to AUD0.284M (PGK0.711M).

Payments totaling AUD1.600M (PGK4.000M) were paid to PNG ASL during the period for the NavAids Replacement Project and the Domestic V-SAT Completion.

National Maritime Safety Authority

The tender process for the PNG Maritime Radio Communications System was cancelled by NMSA in 2010 as a result of inconsistent procurement practices. NMSA has re-tendered under AusAID-TSSP funded workplans, however, the tender outcome was unknown as at June 2011. No expenditure occurred from January – June 2011.

PNG Ports Corporation Ltd

There has been no expenditure made to PNGPCL during this period.

Annex 8 provides a detailed summary of aviation and maritime expenditure from January – June 2011.

TSSP Infrastructure Asset Maintenance Imprest Accounts

All Infrastructure Asset Maintenance Imprest Accounts continued to operate effectively. The independent audit for TSSP for the 2010 calendar year found no errors in any of the imprest accounts under TSSP's control.

Financial reports are provided for the month, quarter, calendar year, fiscal year and project-to-date, in total for both PGK and AUD equivalent. Annexes 9 and 10 refer to the 2010/2011 financial year Sources and Applications of Funds Statement for AUD and PGK respectively. Annexes 11 and 12 refer to the Program to date Sources and Application of Funds Statements for AUD and PGK respectively.

TAIA PGK and TAIA AUD Accounts

TSSP maintains two accounts for providing Technical Assistance. The TAIA PGK account covers all technical assistance that relates to expenditure in PNG and also reimburses certain in-line positions within agencies that have been approved by AusAID. The TAIA AUD account is for technical assistance reimbursements that are paid outside PNG. This includes the cost of technical advisers and consultancies.

To date an amount of AUD0.266M (PGK0.686M) has been paid from the TAIA PGK account and AUD4.501M (PGK10.824M) from the TAIA AUD account. An amount of AUD5.9M (PGK15.7M) is forecast to be spent during the July to December 2011 period.

4.1 2011 Audits

Independent External Audit: March 2011

Following a public tender process, Deloitte was engaged and conducted the mandatory annual independent audit of the ISP's management of TSSP funding facilities. The audit occurred in February 2011. Whilst there were no significant adverse findings, a number of issues were highlighted where procedures contained in the Financial Management Manual and various Financial Procedures Manuals were not followed and/or GoPNG agencies had not conformed to the requirements of the GoPNG *Financial Management Act*.

Discussions were held regularly with the auditor during the course of the audit and current methodologies were closely examined to determine possible improvements. Several changes were proposed for the Finance Management Manual and Financial Procedures Manuals and these were to be incorporated in the revised manuals that would be completed and submitted to AusAID for approval. Following the determination by AusAID of proposed financial management changes to TSSP Phase 2 and the recommendations of two recent AusAID contracted Procurement Diagnostics, further modification to the manuals will be made for AusAID approval.

DoW Asset Maintenance Expenditure Summary Jan - Jun 2011**Annex 1**

Province	TSSP	IFGI	PGF	TSSP-IP	NRBMP	Total
	(PGK)	(PGK)	(PGK)	(PGK)	(PGK)	(PGK)
Central	0	4,972,459	0	0		4,972,459
Milne Bay	0	72,958	0	407,853	0	480,811
Morobe	0	3,031,581		0		3,031,581
East New Britain	0	4,116,061		0		4,116,061
West New Britain	0	1,481,034		0		1,481,034
New Ireland	0	993,526	0	0		993,526
Madang	0	1,037,812		0		1,037,812
East Sepik	0	1,361,105		0	0	1,361,105
Sandaun	0	2,573,747	0	0		2,573,747
Eastern Highlands	0	3,244,728				3,244,728
Boroko	0	5,007,490		0		5,007,490
Total	0	27,892,500	0	407,853	0	28,300,353

Summary of TSSP Originated DoW Asset Maintenance Expenditure Jan - Jun 2011

Province	Contract Description	Total Kms	Current Contract Value	Total Disbursements to 31 December 2010	Payments Jan - Jun 2011	Total Disbursements	% Expended	Balance of Contract Outstanding
			(PGK)	(PGK)	(PGK)	(PGK)	(PGK)	
Central	Magi HW Minor Works 2009		1,560,704	913,463		913,463	58.5%	647,241
Central	Hiritano HW Minor Works 2009		813,325	369,794		369,794	45.5%	443,531
Central	Magi Minor Works 2010		594,099	0		0	0.0%	594,099
Central	Magi Minor Bridge Works 2010		597,755	0		0	0.0%	597,755
Central	Hiritano Minor Works 2010		599,320	0		0	0.0%	599,320
Central	Hiritano Minor Bridge Works 2010		710,000	0		0	0.0%	710,000
Central	Magi Minor Works 2011		610,000	0		0	0.0%	610,000
Central	Magi Minor Bridge Works 2011		590,000	0		0	0.0%	590,000
Central	Hiritano Minor Works 2011		400,000	0		0	0.0%	400,000
Central			6,475,203	1,283,256	0	1,283,256	19.8%	5,191,947
Milne Bay	Magi Minor Works 2009		1,125,000	783,951		783,951	69.7%	341,049
Milne Bay	Magi Minor Works 2010		600,000	0		0	0.0%	600,000
Milne Bay	Magi Minor Bridge Works 2010		600,000	0		0	0.0%	600,000
Milne Bay	Magi Minor Works 2011		400,000.00	0		0	0.0%	400,000
Milne Bay	Magi Minor Bridge Works 2011		300,000.00	0		0	0.0%	300,000
Milne Bay	East Cape Road Minor Works 2011		300,000.00	0		0	0.0%	300,000
Milne Bay			3,325,000	783,951	0	783,951	23.6%	2,541,049
Morobe	Higlands Highway Road Maintenance Project - formerly KRGMF		25,541,808	7,617,416		7,617,416	29.8%	17,924,392
Morobe	Major pavement & drainage upgrading Wau Hwy		3,990,926	0		0	0.0%	3,990,926
Morobe	Ramu Minor Works 2009		500,000	506,049		506,049	101.2%	(6,049)
Morobe	Wau Minor Works 2009		500,000	415,221		415,221	83.0%	84,779
Morobe	Ramu Minor Works 2010		500,000	0		0	0.0%	500,000
Morobe	Ramu Minor Bridge Works 2010		150,000	0		0	0.0%	150,000
Morobe	Ramu River Training HH		95,040	95,040		95,040	100.0%	0
Morobe	Wau Minor Works 2010		600,000	0		0	0.0%	600,000
Morobe	Wau Minor Bridge Works 2010		500,000	373,255		373,255	74.7%	126,745
Morobe	Ramu Minor Works 2011		300,000	0		0	0.0%	300,000
Morobe	Ramu Minor Bridge Works 2011		150,000	0		0	0.0%	150,000
Morobe	Wau Minor Works 2011		600,000	0		0	0.0%	600,000
Morobe	Wau Minor Bridge Works 2011		600,000	0		0	0.0%	600,000
Morobe			34,027,774	9,006,981	0	9,006,981	26.5%	25,020,793
East New Britain	Malaguna HS to Gaulim Junct Bilomi		7,302,005	278,913		278,913	3.8%	7,023,092
East New Britain	New Britain Hwy Minor Works 2009		680,000	491,510		491,510	72.3%	188,490
East New Britain	New Britain Hwy Minor Works 2010		850,000	0		0	0.0%	850,000
East New Britain	New Britain Minor Bridge Works 2010		50,000	0		0	0.0%	50,000
East New Britain	New Britain Hwy Minor Works 2011		700,000	0		0	0.0%	700,000
East New Britain	New Britain Minor Bridge Work 2011		50,000	0		0	0.0%	50,000
East New Britain			9,632,005	770,422	0	770,422	8.0%	8,861,582
West New Britain	Payment overlay , Drainage ans Sealing Works from Kulkul hill to Bilomi New Britain HW	6.2	3,217,338	906,724		906,724	28.2%	2,310,614
West New Britain	Pavement repair & resealing works with associated drainage works along NB Hwy		5,997,321	0		0	0.0%	5,997,321
West New Britain	New Britain Hwy Minor Works 2009		500,000	0		0	0.0%	500,000
West New Britain	New Britain Hwy Minor Works 2010		500,000	0		0	0.0%	500,000
West New Britain	New Britain Hwy Minor Bridge Works 2010		950,000	0		0	0.0%	950,000
West New Britain	New Britain Hwy Minor Works 2011		400,000	0		0	0.0%	400,000
West New Britain			11,564,658	906,724	0	906,724	7.8%	10,657,935
New Ireland	Pavment repair and sealing works on buluminski HW btw Kavieng Court House - Putput Bridge	45.6	6,182,111	5,781,165		5,781,165	93.5%	400,946
New Ireland	Pavement repairs, drainage & resealing works on Boluminski Hwy - Paruai to Panamana 28km	28	5,985,617	0		0	0.0%	5,985,617
New Ireland	West Coast Road- Road Maintenance Work Fangalawa to Mara	80	1,391,400	787,421		787,421	56.6%	603,979
New Ireland	West Coast Road- Road Maintenance Work Fangalawa to Mara	129.1	1,331,260	1,363,767		1,363,767	102.4%	(32,507)
New Ireland	Boluminski Minor Works 2009		500,000	491,942		491,942	98.4%	8,058
New Ireland	West Coast Minor Works 2009		500,000	499,998		499,998	100.0%	2
New Ireland	Boluminski Minor Works 2010		1,150,000	0		0	0.0%	1,150,000
New Ireland	Boluminski Minor Bridge Works 2010		600,000	0		0	0.0%	600,000
New Ireland	West Coast Minor Works 2010		850,000	0		0	0.0%	850,000
New Ireland	West Coast Minor Bridge Works 2010		100,000	0		0	0.0%	100,000
New Ireland	Boluminski Minor Works 2011		800,000	0		0	0.0%	800,000
New Ireland	Boluminski Minor Bridge Works 2011		400,000	0		0	0.0%	400,000
New Ireland	West Coast Minor Works 2011		650,000	0		0	0.0%	650,000
New Ireland	West Coast Minor Bridge Works 2011		200,000	0		0	0.0%	200,000

Summary of TSSP Originated DoW Asset Maintenance Expenditure Jan - Jun 2011

Province	Contract Description	Total Kms	Current Contract Value	Total Disbursements to 31 December 2010	Payments Jan - Jun 2011	Total Disbursements	% Expended	Balance of Contract Outstanding
			(PGK)	(PGK)	(PGK)	(PGK)		(PGK)
New Ireland			20,640,389	8,924,294	0	8,924,294	43.2%	11,716,095
Madang	Pavement repair and resealing Ramu HW - Pompoquato to Usino & Gogol Br to Baidal Modilon	81.5	9,604,401	2,746,186		2,746,186	28.6%	6,858,215
Madang	Pavement repairs and sealing of Coastal Hwy - Kumil Br to Ulingan Medibor Jnct		5,805,355	334,559		334,559	5.8%	5,470,796
Madang	Pavement Resealing Repairs & Associated Drainage Works - Ramu & Coastal Hwy Jnct to Surumarang		8,311,681	0		0	0.0%	8,311,681
Madang	Coastal Minor Works 2009		1,500,000	1,534,764		1,534,764	102.3%	(34,764)
Madang	Ramu Minor Works 2009		1,500,000	1,174,999		1,174,999	78.3%	325,001
Madang	Coastal Minor Works 2010		1,500,000	415,131		415,131	27.7%	1,084,869
Madang	Coastal Minor Bridge Works 2010		500,000	314,847		314,847	63.0%	185,153
Madang	Ramu Minor Works 2010		1,500,000	0		0	0.0%	1,500,000
Madang	Ramu Minor Bridge Works 2010		500,000	0		0	0.0%	500,000
Madang	Coastal Minor Works 2011		600,000	0		0	0.0%	600,000
Madang	Coastal Minor Bridge Works 2011		350,000	0		0	0.0%	350,000
Madang	Ramu Minor Works 2011		600,000	0		0	0.0%	600,000
Madang	Ramu Minor Bridge Works 2011		350,000	0		0	0.0%	350,000
Madang			32,621,437	6,520,486	0	6,520,486	20.0%	26,100,951
East Sepik	Payment repair and Associated Drainage Works Coastal and Sepik HW Kreer Jn. To Nagam Brdg	22	6,087,975	1,298,986		1,298,986	21.3%	4,788,990
East Sepik	Regravelling , Sealing works Coastal Hwy - West (Minga Cr - Wariman Br, Hawain Br)		7,233,947	1,733,747		1,733,747	24.0%	5,500,200
East Sepik	Sepik Minor Works 2009		1,251,626	591,682		591,682	47.3%	659,944
East Sepik	Coastal Minor Works 2009		827,400	817,279		817,279	98.8%	10,121
East Sepik	Coastal Minor Works 2010		500,000	0		0	0.0%	500,000
East Sepik	Coastal Minor Bridge Works 2010		450,000	0		0	0.0%	450,000
East Sepik	Sepik Minor Works 2010		427,945	0		0	0.0%	427,945
East Sepik	Sepik Minor Bridge Works 2010		572,055	0		0	0.0%	572,055
East Sepik	Coastal Minor Works 2011		1,280,000	0		0	0.0%	1,280,000
East Sepik	Coastal Minor Bridge Works 2011			0		0	#DIV/0!	0
East Sepik	Sepik Minor Works 2011		585,000	0		0	0.0%	585,000
East Sepik	Sepik Minor Bridge Works 2011			0		0	#DIV/0!	0
East Sepik			19,215,949	4,441,693	0	4,441,693	23.1%	14,774,256
Sandaun	Nuku Road Upgrade	28	9,827,482	559,214		559,214	5.7%	9,268,268
Sandaun	Sepik Minor Works 2009		500,000	280,235		280,235	56.0%	219,765
Sandaun	Coastal Minor Works 2009		1,276,991	1,165,265		1,165,265	91.3%	111,726
Sandaun	Sepik Minor Works 2010		600,000	0		0	0.0%	600,000
Sandaun	Sepik Minor Bridge Works 2010		250,000	0		0	0.0%	250,000
Sandaun	Coastal Minor Works 2010		600,000	0		0	0.0%	600,000
Sandaun	Coastal Minor Bridge Works 2010		1,000,000	0		0	0.0%	1,000,000
Sandaun	Coastal Minor Works 2011			0		0	#DIV/0!	0
Sandaun	Coastal Minor Bridge Works-Danop Br to Tadjji Airstrip		810,000	0		0	0.0%	810,000
Sandaun	Sepik Minor Works 2011			0		0	#DIV/0!	0
Sandaun	Sepik Minor Bridge Works 2011			0		0	#DIV/0!	0
Sandaun			14,864,473	2,004,714	0	2,004,714	13.5%	12,859,759
Eastern Highlands	Emergency Maintenance Yonki and Keka Slips		1,594,098	0		0	0.0%	1,594,098
Eastern Highlands	Highlands Highway Road Maintenance Project (formerly KRGMF transferred to TSSP)		752,066	0		0	0.0%	752,066
Eastern Highlands	Highlands Hwy Minor Works - Pre2010		5,305,500	0		0	0.0%	5,305,500
Eastern Highlands	Kenangi Slip Repairs & River Training Works		1,310,325	1,165,067		1,165,067	88.9%	145,258
Eastern Highlands	Barola Hill Slip Repairs		894,695	284,760		284,760	31.8%	609,934
Eastern Highlands	Avaninofi Slip Repairs		1,884,846	516,041		516,041	27.4%	1,368,806
Eastern Highlands	Avani Slip Repairs		860,249	0		0	0.0%	860,249
Eastern Highlands	Routine Road Maintenance Works (7) and Emergency Works (2) on Hhwy		2,967,873	0		0	0.0%	2,967,873
Eastern Highlands			15,569,652	1,965,868	0	1,965,868	12.6%	13,603,784
Boroko	PMC 1 Central, Morobe, Milne Bay		8,109,130	1,166,032		1,166,032	14.4%	6,943,098
Boroko	PMC 2 - East New Britain, West New Britain and New Ireland		10,463,482	3,036,448		3,036,448	29.0%	7,427,033
Boroko	PMC 3 - Madang, East Sepik and Sandaun		12,718,227	3,720,564		3,720,564	29.3%	8,997,663
Boroko	Design & Construction Supervision Consultancy for Restoration of Enga Hwy - Wabag/ Wapnada		9,834,590	0		0	0.0%	9,834,590
Boroko	PMC HH Rd Maint Contracs in EHP/Morobe		3,680,653	0		0	0.0%	3,680,653
Boroko	Provision of Consultancy Services for Visual Condition Survey on the National Road Network		4,163,988	0		0	0.0%	4,163,988
Boroko	Feasibility Study of Improvement Options and Re-routing of the Highlands Highway - PGK		2,284,930	0		0	0.0%	2,284,930
Boroko	Feasibility Study of Improvement Options and Re-routing of the Highlands Highway - AUD		4,150,670	0		0	0.0%	4,150,670
Boroko			55,405,670	7,923,044	0	7,923,044	14.3%	47,482,625
Total			223,342,209	44,531,433	0	44,531,433	19.9%	178,810,776

Summary of IFGI Funded DoW Asset Maintenance Expenditure Jan - Jun 2011

Province	Contract Description	Total Kms	Current Contract Value	Total Disbursements to 31 December 2010	Payments Jan - Jun 2011	Total Disbursements	% Expended	Balance of Contract Outstanding
			(PGK)	PGK)	(PGK)	(PGK)		(PGK)
Central	Hiritano Hwy - Pavement repairs, & resealing between Veimauri and end of Doa Plantation		7,886,372.56	3,846,347	3,691,420	7,537,767	95.6%	348,605
Central	Magi HW Minor Works 2009		1,560,704	0		0	0.0%	1,560,704
Central	Hiritano HW Minor Works 2009		813,325	0		0	0.0%	813,325
Central	Magi Minor Works 2010		594,099	581,146		581,146	97.8%	12,953
Central	Magi Minor Bridge Works 2010		597,755	597,755		597,755	100.0%	0
Central	Hiritano Minor Works 2010		599,320	299,999	299,321	599,320	100.0%	0
Central	Hiritano Minor Bridge Works 2010		710,000	298,231	208,159	506,389	71.3%	203,611
Central	Magi Minor Works 2011		610,000	0	285,600	285,600	46.8%	324,400
Central	Magi Minor Bridge Works 2011		590,000	0	291,610	291,610	49.4%	298,390
Central	Hiritano Minor Works 2011		400,000	0	196,350	196,350	49.1%	203,650
Central			14,361,576	5,623,479	4,972,459	10,595,938	73.8%	3,765,638
Milne Bay	Magi Minor Works 2009		1,125,000	227,739	16,877	244,616	21.7%	880,384
Milne Bay	Magi Minor Works 2010		600,000	469,968		469,968	78.3%	130,032
Milne Bay	Magi Minor Bridge Works 2010		600,000	403,059	56,081	459,140	76.5%	140,860
Milne Bay	Magi Minor Works 2011		400,000.00	0		0	0.0%	400,000
Milne Bay	Magi Minor Bridge Works 2011		300,000.00	0		0	0.0%	300,000
Milne Bay			3,025,000	1,100,766	72,958	1,173,724	38.8%	1,851,276
Morobe	Higlands Higway Road Maintenance Project - formerly KRGMP		25,541,808	15,040,416	1,657,547	16,697,963	65.4%	8,843,845
Morobe	Major pavement & drainage upgrading Wau Hwy		3,990,926	446,842	644,890	1,091,732	27.4%	2,899,194
Morobe	Ramu Minor Works 2009		500,000	0		0	0.0%	500,000
Morobe	Wau Minor Works 2009		500,000	0		0	0.0%	500,000
Morobe	Ramu Minor Works 2010		500,000	484,797	14,614	499,411	99.9%	589
Morobe	Ramu Minor Bridge Works 2010		150,000	149,996		149,996	100.0%	4
Morobe	Ramu River Training HH		95,040	0		0	0.0%	95,040
Morobe	Wau Minor Works 2010		600,000	599,756		599,756	100.0%	244
Morobe	Wau Minor Bridge Works 2010		500,000	373,255	119,011	492,265	98.5%	7,735
Morobe	Ramu Minor Works 2011		300,000	0	143,385	143,385	47.8%	156,615
Morobe	Ramu Minor Bridge Works 2011		150,000	0	143,694	143,694	95.8%	6,306
Morobe	Wau Minor Works 2011		600,000	0		0	0.0%	600,000
Morobe	Wau Minor Bridge Works 2011		600,000	0	308,440	308,440	51.4%	291,560
Morobe			34,027,774	17,095,062	3,031,581	20,126,643	59.1%	13,901,131
East New Britain	Malaguna HS to Gaulim Junct Bilomi		7,302,005	278,913	3,976,630	4,255,542	58.3%	3,046,463
East New Britain	New Britain Hwy Minor Works 2009		680,000	167,706		167,706	24.7%	512,295
East New Britain	New Britain Hwy Minor Works 2010		850,000	847,878	2,000	849,878	100.0%	122
East New Britain	New Britain Minor Bridge Works		50,000	49,977		49,977	100.0%	23
East New Britain	New Britain Hwy Minor Works 2011		700,000	0	137,431	137,431	19.6%	562,569
East New Britain	New Britain Minor Bridge Work 2011		50,000	0		0	0.0%	50,000
East New Britain			9,632,005	1,344,473	4,116,061	5,460,534	56.7%	4,171,471
West New Britain	Payment overlay - Drainage and Sealing Works from Kulkul hill to Bilomi New Britain HW	6.2	3,217,338	2,084,730		2,084,730	64.8%	1,132,608
West New Britain	Pavement repair & resealing works with associated drainage works along NB Hwy		5,997,321	342,007	853,162	1,195,169	19.9%	4,802,152
West New Britain	New Britain Hwy Minor Works 2009		500,000	410,668	80,425	491,093	98.2%	8,907
West New Britain	New Britain Hwy Minor Works 2010		500,000	468,556	12,520	481,076	96.2%	18,924
West New Britain	New Britain Hwy Minor Bridge Works 2010		950,000	25,270	534,927	560,197	59.0%	389,803
West New Britain	New Britain Hwy Minor Works 2011		400,000	0		0	0.0%	400,000
West New Britain			11,564,658	3,331,230	1,481,034	4,812,264	41.6%	6,752,394
New Ireland	Pavement repair and sealing works on buluminski HW btw Kavieng Court House - Putput Bridge	45.6	6,182,111	400,945		400,945	6.5%	5,781,166
New Ireland	Pavement repairs, drainage & resealing works on Boluminski Hwy - Paruai to Panamana 28km	28	5,985,617.34	0	639,337	639,337	10.7%	5,346,280
New Ireland	West Coast Road- Road Maintenance Work Fangalawa to Mara	80	1,391,400	469,652		469,652	33.8%	921,748
New Ireland	West Coast Road- Road Maintenance Work Fangalawa to Mara	129.1	1,331,260	267,651	(267,651)	(0)	0.0%	1,331,260
New Ireland	Boluminski Minor Works		500,000	550,820		550,820	110.2%	(50,820)
New Ireland	West Coast Minor Works		500,000	499,998		499,998	100.0%	2
New Ireland	Boluminski Minor Works 2010		1,150,000	1,137,275		1,137,275	98.9%	12,725
New Ireland	Boluminski Minor Bridge Works 2010		600,000	566,183		566,183	94.4%	33,817
New Ireland	West Coast Minor Works 2010		850,000	837,690		837,690	98.6%	12,310
New Ireland	West Coast Minor Bridge Works 2010		100,000	90,535		90,535	90.5%	9,465
New Ireland	Boluminski Minor Works 2011		800,000	0	212,806	212,806	26.6%	587,194
New Ireland	Boluminski Minor Bridge Works 2011		400,000	0		0	0.0%	400,000
New Ireland	West Coast Minor Works 2011		650,000	0	312,234	312,234	48.0%	337,766
New Ireland	West Coast Minor Bridge Works 2011		200,000	0	96,800	96,800	48.4%	103,200
New Ireland			20,640,389	4,820,750	993,526	5,814,276	28.2%	14,826,113

Summary of IFGI Funded DoW Asset Maintenance Expenditure Jan - Jun 2011

Province	Contract Description	Total Kms	Current Contract Value	Total Disbursements to 31 December 2010	Payments Jan - Jun 2011	Total Disbursements	% Expended	Balance of Contract Outstanding
			(PGK)	PGK	(PGK)	(PGK)		(PGK)
Madang	Pavement repair and resealing Ramu HW - Pompoquato to Usino & Gogol Br to Baidal Modilon	81.5	9,604,401	4,996,950		4,996,950	52.0%	4,607,451
Madang	Pavement repairs and sealing of Coastal Hwy - Kumil Br to Ulingan Medibor Jct		5,805,355	5,206,917		5,206,917	89.7%	598,438
Madang	Pavement Resealing Repairs & Associated Drainage Works - Ramu & Coastal Hwy Junct to Surumarang		8,311,681	0	236,466	236,466	2.8%	8,075,215
Madang	Coastal Minor Works 2009		1,276,991	0		0	0.0%	1,276,991
Madang	Ramu Minor Works 2009		1,500,000	0		0	0.0%	1,500,000
Madang	Coastal Minor Works 2010		1,500,000	415,131	272,866	687,997	45.9%	812,003
Madang	Coastal Minor Bridge Works 2010		500,000	314,847	133,512	448,359	89.7%	51,641
Madang	Ramu Minor Works 2010		1,500,000	577,052	352,244	929,296	62.0%	570,704
Madang	Ramu Minor Bridge Works 2010		500,000	438,581	42,725	481,306	96.3%	18,694
Madang	Coastal Minor Works 2011		600,000.00	0		0	0.0%	600,000
Madang	Coastal Minor Bridge Works 2011		350,000.00	0		0	0.0%	350,000
Madang	Ramu Minor Works 2011		600,000.00	0		0	0.0%	600,000
Madang	Ramu Minor Bridge Works 2011		350,000.00	0		0	0.0%	350,000
Madang			32,398,428	11,949,478	1,037,812	12,987,291	40.1%	19,411,137
East Sepik	Payment repair and Associated Drainage Works Coastal and Sepik HW Kreer Jn. To Nagam Btdg (22	6,087,975	1,270,358	240,782	1,511,139	24.8%	4,576,836
East Sepik	Regravelling , Sealing works Coastal Hwy - West (Minga Cr - Wariman Br, Hawain Br)		7,233,947	4,435,952		4,435,952	61.3%	2,797,995
East Sepik	Sepik Minor Works 2009		1,251,626	0	3,171	3,171	0.3%	1,248,456
East Sepik	Coastal Minor Works 2009		827,400	0	3,200	3,200	0.4%	824,200
East Sepik	Coastal Minor Works 2010		500,000	91,988	391,573	483,560	96.7%	16,440
East Sepik	Coastal Minor Bridge Works 2010		450,000	0	228,911	228,911	50.9%	221,089
East Sepik	Sepik Minor Works 2010		427,945	306,283	63,269	369,552	86.4%	58,393
East Sepik	Sepik Minor Bridge Works 2010		572,055	0	348,000	348,000	60.8%	224,055
East Sepik	Coastal Minor Works 2011		1,280,000	0	82,200	82,200	6.4%	1,197,800
East Sepik	Coastal Minor Bridge Works 2011			0		0	#DIV/0!	0
East Sepik	Sepik Minor Works 2011		585,000	0		0	0.0%	585,000
East Sepik	Sepik Minor Bridge Works 2011			0		0	#DIV/0!	0
East Sepik			19,215,949	6,104,580	1,361,105	7,465,685	38.9%	11,750,264
Sandaun	Nuku Road Upgrade	28	9,827,482	3,289,756	2,068,438	5,358,194	54.5%	4,469,288
Sandaun	Sepik Minor Works 2009		500,000	0	184,800	184,800	37.0%	315,200
Sandaun	Coastal Minor Works 2009		1,276,991	0	109,637	109,637	8.6%	1,167,354
Sandaun	Sepik Minor Works 2010		600,000	0		0	0.0%	600,000
Sandaun	Sepik Minor Bridge Works 2010		250,000	49,500		49,500	19.8%	200,500
Sandaun	Coastal Minor Works 2010		600,000	88,572	210,872	299,444	49.9%	300,556
Sandaun	Coastal Minor Bridge Works 2010		1,000,000	0		0	0.0%	1,000,000
Sandaun	Coastal Minor Works 2011			0		0	#DIV/0!	0
Sandaun	Coastal Minor Bridge Works-Danop Br to Tadjj Airstrip		100,000	0		0	0.0%	100,000
Sandaun	Sepik Minor Works 2011			0		0	#DIV/0!	0
Sandaun	Sepik Minor Bridge Works 2011			0		0	#DIV/0!	0
Sandaun			14,154,473	3,427,828	2,573,747	6,001,575	42.4%	8,152,898
Eastern Highlands	Emergency Maintenance Yonki and Keka Slips		1,594,098	0	1,189,857	1,189,857	74.6%	404,241
Eastern Highlands	Highlands Highway Road Maintenance Project (formerly KRGMP transferred to TSSP)		752,066	602,463		602,463	80.1%	149,603
Eastern Highlands	Highlands Hwy Minor Works - Pre2010		5,305,500	4,135,027	818,594	4,953,621	93.4%	351,879
Eastern Highlands	Kenangi Slip Repairs & River Training Works		1,310,325	0		0	0.0%	1,310,325
Eastern Highlands	Barola Hill Slip Repairs		894,695	0	209,064	209,064	23.4%	685,631
Eastern Highlands	Avaninofi Slip Repairs		1,884,846	0	1,027,212	1,027,212	54.5%	857,634
Eastern Highlands	Avani Slip Repairs		860,249	0		0	0.0%	860,249
Eastern Highlands	Routine Road Maintenance Works (7) and Emergency Works (2) on Hlwy		2,967,873	0		0	0.0%	2,967,873
Eastern Highlands			15,569,652	4,737,490	3,244,728	7,982,218	51.3%	7,587,434
Boroko	PMC 1 Central, Morobe, Milne Bay		8,109,130	3,001,289	1,458,213	4,459,502	55.0%	3,649,628
Boroko	PMC 2 - East New Britain, West New Britain and New Ireland		10,463,482	5,467,351	959,413	6,426,764	61.4%	4,036,718
Boroko	PMC 3 - Madang, East Sepik and Sandaun		12,718,227	6,704,258	1,218,972	7,923,230	62.3%	4,794,998
Boroko	Design & Construction Supervision Consultancy for Restoration of Enga Hwy - Wabag/ Wapmunda		9,834,590	0		0	0.0%	9,834,590
Boroko	PMC HH Rd Maint Contracs in EHP/Morobe		3,680,653	0	794,685	794,685	21.6%	2,885,968
Boroko	Provision of Consultancy Services for Visual Condition Survey on the National Road Network		4,163,988	0		0	0.0%	4,163,988
Boroko	Feasibility Study of Improvement Options and Re-routing of the Highlands Highway - PGK		2,284,930	0	110,715	110,715	4.8%	2,174,215
Boroko	Feasibility Study of Improvement Options and Re-routing of the Highlands Highway - AUD		4,150,670	0	465,492	465,492	11.2%	3,685,178
Boroko			55,405,670	15,172,898	5,007,490	20,180,387	36.4%	35,225,282
Total			229,995,572	74,708,034	27,892,500	102,600,534	44.6%	127,395,038

Summary of DoW Asset Maintenance Performance Grant Expenditure Jan - Jun 2011

Province	Contract Description	Total Kms	Current Contract Value	Total Disbursements to 31 December 2010	Payments Jan - Jun 2011	Total Disbursements	% Expended	Balance of Contract Outstanding
			(PGK)	(PGK)	(PGK)	(PGK)	(PGK)	
Central	Hiritano Highway - Upgrade to Seal - Agevairu to Akerama		5,952,675	5,952,675		5,952,675	100.0%	0
Central	Hiritano Highway - Upgrade to Seal - Akerama to Aropokina		8,733,108	8,733,108		8,733,108	100.0%	0
Central	Costal Highway - Upgrade to Seal - Matairuka to Alepa Turn Off		9,649,951	8,394,413		8,394,413	87.0%	1,255,538
Central			24,335,734	23,080,196	0	23,080,196	94.8%	1,255,538
Milne Bay	East Cape Road Regravelling and Sealing	15.7	8,752,918	4,454,821		4,454,821	50.9%	4,298,097
Milne Bay			8,752,918	4,454,821	0	4,454,821	50.9%	4,298,097
New Ireland	Boluminski Highway - regravelling and Sealing Kimadam to Daloma		6,156,807	6,003,647		6,003,647	97.5%	153,160
New Ireland	Boluminski Highway - Regravelling and Sealing Daloma to Penamun		7,175,503	7,085,189		7,085,189	98.7%	90,314
New Ireland			13,332,310	13,088,836	0	13,088,836	98.2%	243,474
Sandaun	The Sepik Highway - Regravelling Mai to Milak		7,495,053	6,783,844		6,783,844	90.5%	711,209
Sandaun	The Sepik Highway - Regravelling Milak to Asin		6,243,303	4,027,708		4,027,708	64.5%	2,215,595
Sandaun	Sepik Highway Major Work		2,926,804	0		0	0.0%	2,926,804
Sandaun	The Costal Highway - Regravelling Davi to Mussu		6,638,220	5,952,609		5,952,609	89.7%	685,610
Sandaun			23,303,379	16,764,162	0	16,764,162	71.9%	6,539,218
Total			69,724,341	57,388,014	0	57,388,014	82.3%	12,336,327

Summary of TSSP-IP Originated DoW Asset Maintenance Expenditure Jan - Jun 2011

Province	Contract Description	Original Km Involved	Current Contract Value	Total Disbursements to 31 December 2010	Payments Jan - Jun 2011	Total Disbursements	% Expended	Balance of Contract Outstanding
			(PGK)	(PGK)	(PGK)	(PGK)		(PGK)
Central	Magi Hwy Pavement Repair and Reseal Kemp Welch Br to Matairuka		4,497,717	0	0	4,497,717	100.0%	0
Central	Sogeri Rd Pavement Repair and Reseal Marianville Jn to Sogeri High School		9,524,472	0	0	9,490,664	99.6%	33,808
Central			14,022,189	0	0	13,988,381	99.8%	33,808
Milne Bay	Magi Hwy, Upgrade to Seal Nauara Br to Gumini Br Ch 28450 - 38,506		3,996,724	0	0	3,758,470	94.0%	238,253
Milne Bay	East Cape Rd - Regravelling Gadudu to East Cape		4,522,176	0	407,853	4,169,298	92.2%	352,878
Milne Bay	Install Culvert, Head and Wing Walls		58,354	0	0	464	0.8%	57,890
Milne Bay	Yeluyelu Coastal Protection Works		45,881	0	0	45,881	100.0%	0
Milne Bay	Ealasiagado Coastal Protection Works		52,207	0	0	52,207	100.0%	0
Milne Bay	Bubuleta Section 4 Coastal Protection Works		78,187	0	0	78,187	100.0%	1
Milne Bay	Bubuleta Section 2 Coastal Protection Works		84,909	0	0	84,909	100.0%	0
Milne Bay			8,838,439	0	407,853	8,189,417	92.7%	649,022
Morobe	Highlands Hwy, Pavement Repairs Wau/Bulolo Rd,		9,380,577	0	0	9,286,180	99.0%	94,397
Morobe			9,380,577	0	0	9,286,180	99.0%	94,397
East New Britain	North Coast Rd Pavement Repair and Reseal Pakanairir to Tomatana	15	7,226,542	0	0	7,162,042	99.1%	64,500
East New Britain			7,226,542	0	0	7,162,042	99.1%	64,500
West New Britain	New Britain Hwy Pavement Repair and Reseal Aum Bdg to Pisi Bdg	12	2,938,889	0	0	2,932,344	99.8%	6,545
West New Britain			2,938,889	0	0	2,932,344	99.8%	6,545
New Ireland	Boluminski Hwy Prepare Pavement and Seal. Stage 1. GoPNG	45	12,396,337	0	0	12,270,841	99.0%	125,495
New Ireland	Hiruan Bridge, Timber Deck Replacement with Steel		64,680	0	0	62,740	97.0%	1,940
New Ireland	Hiruan Bridge, Timber Deck Replacement with Steel		61,600	0	0	55,440	90.0%	6,160
New Ireland			12,522,617	0	0	12,389,021	98.9%	133,596
Madang	Coastal Hwy Pavement Repair and Reseal Pukpuk Br to Kumil Br	49	5,469,698	0	0	5,469,698	100.0%	0
Madang	Ramu Hwy - Upgrade to Seal Tapo Crossing to Naru Br	10	8,731,443	0	0	8,512,972	97.5%	218,471
Madang			14,201,141	0	0	13,982,670	98.5%	218,471
East Sepik	Coastal Hwy/Sepik Hwy, Repair of major landslips		8,685,895	0	0	8,685,895	100.0%	(0)
East Sepik	Sepik Hwy Pavement Repair plus Upgrade to Seal	20	2,646,236	0	0	2,424,092	91.6%	222,144
East Sepik			11,332,131	0	0	11,109,987	98.0%	222,144
Sandaun	Coastal Hwy Upgrade to Seal Sawmil Jn to Pasir Jn	6	5,220,098	0	0	5,220,054	100.0%	44
Sandaun			5,220,098	0	0	5,220,054	100.0%	44
Boroko	Central, Morobe, Milne Bay		2,424,313	0	0	2,345,541	96.8%	78,772
Boroko	East New Britain, West New Britain and New Ireland		3,239,236	0	0	3,239,236	100.0%	0
Boroko	Madang, East Sepik and Sandaun		3,096,577	0	0	3,096,577	100.0%	0
Boroko	FMS Upgrade Project		935,212	0	0	934,247	99.9%	964
Boroko			9,695,338	0	0	9,615,601	99.2%	79,737
Total			95,377,960	0	407,853	93,875,696	98.4%	1,502,264

Summary of NRBMP Originated DoW Asset Maintenance Expenditure Jan - Jun 2011

Province	Contract Description	Current Contract Value	Total Disbursements to 31 December 2010	Payments Jan - Jun 2011	Total Disbursements	% Expended	Balance of Contract Outstanding
		(PGK)	(PGK)	(PGK)	(PGK)		(PGK)
Milne Bay	Magi Hwy, Regravel and Seal Pini Range	5,121,734	0	0	2,993,327	58.4%	2,128,407
Milne Bay	Magi Hwy Pavement Repairs Alotau to Gurney	59,378	0	0	42,635	71.8%	16,743
Milne Bay		5,181,112	0	0	3,035,962	58.6%	2,145,149
East Sepik	Pagwi Road, Construct and Upgrade Seal Ch 28.5 - 46.5	14,062,684	0	0	9,198,795	65.4%	4,863,889
East Sepik		14,062,684	0	0	9,198,795	65.4%	4,863,889
Total		19,243,795	0	0	12,234,757	63.6%	7,009,038

Summary of Bougainville Project Expenditure Jan - Jun 2011

	2011 Workplan Revision 1.1	Total Claims 2011	% Expended	Remaining
	(PGK)	(PGK)		(PGK)
Maintenance Activity				
Routine Maintenance - Unsealed				
Siara to Sipai	154,000.00	138,805.00	90.1%	15,195.00
Buin to Jaba River	544,037.00	342,564.50	63.0%	201,472.50
Kangu Beach Access	57,200.00	49,413.00	86.4%	7,787.00
Arakawau to Kokopau	1,819,346.00	1,624,096.30	89.3%	195,249.70
Aropa to Buin	502,798.00	378,731.30	75.3%	124,066.70
Jaba River to Panguna	50,140.00	26,762.79	53.4%	23,377.21
	3,127,521.00	2,560,372.89	81.9%	567,148.11
Routine Maintenance - Sealed				
Buka Township	310,000.00	18,211.20	5.9%	291,788.80
Tunuru to Arakawau River	457,650.00	12,025.00	2.6%	445,625.00
Tekanu Br Apprs	2,600.00	0.00	0.0%	2,600.00
Wakunai Uruavi Bridge	4,100.00	0.00	0.0%	4,100.00
Arawa Township	522,995.00	162,147.50	31.0%	360,847.50
Tunuru to Aropa	1,205,680.00	67,629.00	5.6%	1,138,051.00
Buin Township	20,000.00	0.00	0.0%	20,000.00
Morgan Jtn to Panguna	534,000.00	316,156.96	59.2%	217,843.04
Jaba River to Sovele	90,000.00	0.00	0.0%	90,000.00
	3,147,025.00	576,169.66	18.3%	2,570,855.34
Periodic Maintenance				
Wakunai - Arakawau River	232,557.50	232,557.50	100.0%	0.00
Kokopau - Wakunai	1,653,242.50	431,262.95	26.1%	1,221,979.55
	1,885,800.00	663,820.45	35.2%	1,221,979.55
Specific Maintenance				
Buka				
Buka Town Road; drainage improvements, traffic contr	500,000.00	275,988.02	55.2%	224,011.98
Central Bougainville				
Arawa Town Resealing	7,500,000.00	125,520.06	1.7%	7,374,479.94
	8,000,000.00	401,508.08	5.0%	7,598,491.92
Community Based Work Agreements				
Siara to Sipai	100,000.00	31,479.00	31.5%	68,521.00
Arawa (Tunuru) to Kokopau	600,000.00	392,974.80	65.5%	207,025.20
Jaba River to Morgan Jtn	450,000.00	166,413.45	37.0%	283,586.55
Tunuru to Buin	250,000.00	205,628.94	82.3%	44,371.06
Buin - Kangu - Jaba River	350,561.00	31,096.50	8.9%	319,464.50
Buka Township	100,000.00	16,469.00	16.5%	83,531.00
	1,850,561.00	844,061.69	45.6%	1,006,499.31
Emergency Maintenance				
Emergency Response				
Siara to Sipai	168,000.00	0.00	0.0%	168,000.00
Arawa (Tunuru) to Kokopau	1,027,254.00	622,599.39	60.6%	404,654.61
Tunuru to Buin	279,840.00	0.00	0.0%	279,840.00
Buin - Kangu - Jaba River	429,200.00	321,401.50	74.9%	107,798.50
	1,904,294.00	944,000.89	49.6%	960,293.11
Equipment & Materials				
Materials				
Cement	80,000.00	55,758.18	69.7%	24,241.82
Premix Material & Drum Emulsion	700,000.00	1,070.00	0.2%	698,930.00
Culverts, Gabions	400,000.00	(29,087.00)	-7.3%	429,087.00
Sub-Total	1,180,000.00	27,741.18	2.4%	1,152,258.82
Total Maintenance Activity	21,095,201.00	6,017,674.84	28.5%	15,077,526.16
Indirect Maintenance Costs				
Domestic Supervision	355,681.00	179,765.76	50.5%	175,915.24
Bank Fees and Charges	1,798.00	266.00	14.8%	1,532.00
LCC Meeting	16,000.00	1,000.00	6.3%	15,000.00
Genset/Office	31,320.00	5,773.33	18.4%	25,546.67
Total Indirect Maintenance Costs	404,799.00	186,805.09	46.1%	217,993.91
GST Paid		491,737.39		(491,737.39)
TOTAL BUDGET / WORK PLAN	21,500,000.00	6,696,217.32	31.1%	14,803,782.68

Summary of Asset Maintenance Projected Workplan and Expenditure for CAA, ASL, PNGPCL and NMSA - 2011

Project Description	Estimated Contract Value	Total 12 months ended 31st Dec 2010	Payments Jan - Jun 2011	Total Expenditure	% Expended	Remaining 2011
	(PGK)	(PGK)	(PGK)	(PGK)		(PGK)
Pavement Repairs Girua Airport	1,815,770	1,706,505		1,706,505	100.0%	0
Pavement Evaluation - Hoskins, Tokua & Madang	200,000	115,261		115,261	100.0%	0
Baggage Security Screening Upgrade International & Domestic	5,000,000	0		0	0.0%	5,000,000
International Arrivals Domestic Transfer Facilities Improvement	1,480,123	837,269	627,969	1,465,238	100.0%	0
Building Management System Upgrade	4,800,000	0		0	0.0%	4,800,000
Airport Safety Equipment Replacements	230,462	0	230,462	230,462	100.0%	0
National Airports Strategic Management Plan	2,000,000	1,206,087	278,328	1,484,415	100.0%	0
Airports Certification QA Check	1,400,000	936,198		936,198	66.9%	463,802
Master Plan	2,256,590	2,256,590		2,256,590	100.0%	0
International Arrivals Domestic Transfer Facilities Improvement	108,900	100,714		100,714	100.0%	0
Sub Total CAA	19,291,845	7,158,624	1,136,759	8,295,383	44.7%	10,263,802

Project Description	Estimated Contract Value	Total 12 months ended 31st Dec 2010	Payments Jan - Jun 2011	Total Expenditure	% Expended	Remaining 2011
	(PGK)	(PGK)	(PGK)	(PGK)		(PGK)
PC Based ATC Training Simulator	800,000	677,333		677,333	84.7%	122,667
Nav aids Replacement Project	7,757,777	0	3,500,099	3,500,099	45.1%	4,257,678
Domestic V-SAT Completion	2,025,000	1,000,000	500,000	1,500,000	74.1%	525,000
Radar Maintenance	500,000	0		0	0.0%	500,000
Supply of Miscellaneous Equipment & Spare Parts	700,000	0		0	0.0%	700,000
WGS84 Survey for GNSS	2,000,000	0		0	0.0%	2,000,000
GNSS/PBN	7,370,000	0		0	0.0%	7,370,000
Sub Total ASL	21,152,777	1,677,333	4,000,099	5,677,432	26.8%	15,475,345
Sub TOTAL CAA and ASL	40,444,622	8,835,957	5,136,858	13,972,815	34.5%	25,739,147

Project Description	Estimated Contract Value	Total 12 months ended 31st Dec 2010	Payments Jan - Jun 2010	Total Expenditure	% Expended	Projected Expenditure 2010
	(PGK)	(PGK)	(PGK)	(PGK)		(PGK)
Buka Wharf	3,500,000	3,500,000	0	3,500,000	100.0%	0
Crane (K15m withdrawn from Workplan)		0	0	0		
Total PNGPCL	3,500,000	3,500,000	0	3,500,000	100.0%	0

Project Description	Estimated Contract Value	Total 12 months ended 31st Dec 2010	Payments Jan - Jun 2010	Total Expenditure	% Expended	Projected Expenditure 2010
	(PGK)	(PGK)	(PGK)	(PGK)		(PGK)
Maritime Radio Communications System (incl GMD&SS)	4,000,000	0		0	0.0%	4,000,000
Sub Total NMSA	4,000,000	0	0	0	0.0%	4,000,000

Grand Total	47,944,622	12,335,957	5,136,858	17,472,815	32.0%	29,739,147
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TSSP Flexible Funding Facilities
Source & Use of Funds Statement
Total AUD Equivalent
Fiscal Year to June 2011

Annex 9

	AUD Equiv DoW AMIA	AUD Equiv BAMIA	AUD Equiv PBAMIA	AUD Equiv TAIA (PNG)	AUD Actual TAIA (AUS)	AUD Actual Cons Adj	AUD Equiv TOTAL
Opening Balance	59,059,589	3,283,894	24,302,986	878,123	8,119,747		95,644,339
Sources of Funds							
Transfers from Other FFF		2,226,856	2,226,856	800,000	0	(5,253,712)	0
Transfers from pre TSSP Programs	0	0	0	0	0		0
Transfers from pre TSSP Programs - PGF	0						0
Transfers from KRFG (now HHMC)	0						0
AusAID Tranches - PGF	0	0	0	0	0		0
AusAID Tranches - IFGI	0	0	0	0	0		0
AusAID Tranches - EII	0	0	0	0	0		0
Transfer from DoW/AusAID Closed Bank Accounts	324,891						324,891
AusAID Tranches	32,300,000	8,850,000	0	0	6,550,000		47,700,000
National & Provincial Governments	0	0	0	0	0		0
GST Refunds	3,050,132	252,735	0	5,623	0		3,308,490
Interest	180,932	9,575	73,473	1,811	224,344		490,135
Total Sources	35,855,955	11,339,166	2,300,329	807,434	6,774,344	(5,253,712)	51,823,517
Funds Available	94,915,544	14,623,060	26,603,315	1,685,557	14,894,091	(5,253,712)	147,467,856
Uses of Funds							
Transfers to Other FFF	0	2,226,856	2,226,856	0	800,000	(5,253,712)	0
Transfers for Infrastructure Maintenance	30,398,071	6,548,581	2,866,223	0	0		39,812,875
Payments for Technical Assistance - Advisers	0	0	0	173,587	8,159,818		8,333,405
Payments for Technical Assistance - Consultancies	0	0	0	720,794	1,635,402		2,356,196
Payments for Technical Assistance - In Line Positions	0	0	0	342,963	0		342,963
Taxes	0	0	0	0	0		0
Bank Fees	0	2	13	10	214		240
Total Uses	30,398,071	8,775,439	5,093,092	1,237,355	10,595,434	(5,253,712)	50,845,679
Closing Balance	64,517,474	5,847,621	21,510,223	448,202	4,298,657	0	96,622,177

TSSP Flexible Funding Facilities
Source & Use of Funds Statement
Total PGK Equivalent
Fiscal Year to June 2011

Annex 10

	<i>PGK Actual DoW AMIA</i>	<i>PGK Actual BAMIA</i>	<i>PGK Actual PBAMIA</i>	<i>PGK Actual TAIA (PNG)</i>	<i>PGK Equiv TAIA (AUS)</i>	<i>PGK Equiv Cons Adj</i>	<i>PGK Equiv TOTAL</i>
Opening Balance	135,587,226	7,245,277	54,567,938	2,187,863	19,115,495		218,703,798
Sources of Funds							
Transfers from Other FFF	0	5,000,000	5,000,000	2,067,143	0	(12,067,143)	0
Transfers from pre TSSP Programs	0	0	0	0	0		0
Transfers from KRFG (now HHMC)	0						0
Transfers from pre TSSP Programs - PGF	0						0
AusAID Tranches - PGF	0	0	0	0	0		0
AusAID Tranches - IFGI	0	0	0	0	0		0
AusAID Tranches - EII	0	0	0	0	0		0
Transfer from DoW/AusAID Closed Bank Accounts	745,876						745,876
AusAID Tranches	80,869,455	22,631,545	0	0	16,237,605		119,738,605
National & Provincial Governments	0	0	0	0	0		0
GST Refunds	7,102,125	614,697	0	14,368	0		7,731,190
Interest	419,731	22,462	164,971	4,575	535,455		1,147,194
Total Sources	89,137,187	28,268,704	5,164,971	2,086,086	16,773,060	(12,067,143)	129,362,865
Funds Available	224,724,412	35,513,981	59,732,909	4,273,949	35,888,555	(12,067,143)	348,066,663
Uses of Funds							
Transfers to Other FFF	0	5,000,000	5,000,000	0	2,067,143	(12,067,143)	0
Transfers for Infrastructure Asset Maintenance	70,806,019	15,341,756	6,435,583	0	0		92,583,359
Payments for Technical Assistance - Advisers	0	0	0	442,566	19,389,499		19,832,065
Payments for Technical Assistance - Consultancies	0	0	0	1,819,410	3,866,799		5,686,209
Payments for Technical Assistance - In Line Positions	0	0	0	855,259	0		855,259
Taxes	0	0	0	0	0		0
Bank Fees	0	5	30	25	467		527
Total Uses	70,806,019	20,341,761	11,435,613	3,117,260	25,323,909	(12,067,143)	118,957,419
Closing Balance	153,918,393	15,172,219	48,297,296	1,156,689	10,564,647	0	229,109,244

**TSSP Flexible Funding Facilities
Source & Use of Funds Statement
Total AUD (Equivalent)
Project to Date as at June 2011**

Annex 11

	<i>AUD Equiv DoW AMIA</i>	<i>AUD Equiv BAMIA</i>	<i>AUD Equiv PBAMIA</i>	<i>AUD Equiv TAIA (PNG)</i>	<i>AUD Actual TAIA (AUS)</i>	<i>AUD Actual Cons Adj</i>	<i>AUD Equiv TOTAL</i>
Sources of Funds							
Transfers from Other FFF		2,226,856	2,226,856	1,100,000		(5,553,712)	
Transfers from pre TSSP Programs	9,656,233						9,656,233
Transfers from pre TSSP Programs - PGF	30,000,000						30,000,000
Transfers from KRFG (now HHMC)	4,523,194						4,523,194
AusAID Tranches - PGF	35,000,000						35,000,000
AusAID Tranches - IFGI	11,724,000		24,406,000	1,904,000			38,034,000
AusAID Tranches - EII			1,500,000				1,500,000
Transfer from DoW/AusAID Closed Bank Accounts	324,891						324,891
AusAID Tranches	53,320,277	26,857,000	3,150,000		34,070,000		117,397,277
National & Provincial Governments	2,989,737						2,989,737
GST Refunds	6,974,235	1,398,358			38,235		8,410,828
Interest	976,943	44,908	192,143	12,353	469,525		1,695,872
Total Sources	155,489,510	30,527,122	31,474,998	3,054,588	34,539,525	(5,553,712)	249,532,032
Funds Available	155,489,510	30,527,122	31,474,998	3,054,588	34,539,525	(5,553,712)	249,532,032
Uses of Funds							
Transfers to Other FFF		2,226,856	2,226,856		1,100,000	(5,553,712)	
Transfers for Infrastructure Maintenance	90,972,036	22,452,637	7,737,885				121,162,558
Payments for Technical Assistance - Advisers				512,523	24,062,334		24,574,856
Payments for Technical Assistance - Consultancies				1,407,827	5,077,783		6,485,611
Payments for Technical Assistance - In Line Positions				685,689			685,689
Taxes							
Bank Fees	0	9	35	347	751		1,141
Total Uses	90,972,036	24,679,501	9,964,776	2,606,386	30,240,868	(5,553,712)	152,909,855
Closing Balance	64,517,474	5,847,621	21,510,223	448,202	4,298,657	(0)	96,622,177

TSSP Flexible Funding Facilities
Source & Use of Funds Statement
Total PGK (Equivalent)
Project to Date as at June 2011

Annex 12

	<i>PGK Actual DoW AMIA</i>	<i>PGK Actual BAMIA</i>	<i>PGK Actual PBAMIA</i>	<i>PGK Actual TAIA (PNG)</i>	<i>PGK Equiv TAIA (AUS)</i>	<i>PGK Equiv Cons Adj</i>	<i>PGK Equiv TOTAL</i>
Sources of Funds							
Transfers from Other FFF		5,000,000	5,000,000	2,781,404		(12,781,404)	
Transfers from pre TSSP Programs	22,189,782						22,189,782
Transfers from KRFG (now HHMC)	10,384,212						10,384,212
Transfers from pre TSSP Programs - PGF	68,939,250						68,939,250
AusAID Tranches - PGF	85,410,500						85,410,500
AusAID Tranches - IFGI	27,463,660		55,712,602	4,754,534			87,930,796
AusAID Tranches - EII			3,326,850				3,326,850
Transfer from DoW/AusAID Closed Bank Accounts	745,876						745,876
AusAID Tranches	125,626,380	61,249,071	6,667,380		77,704,844		271,247,675
National & Provincial Governments	7,000,000						7,000,000
GST Refunds	16,350,259	2,718,145		95,215			19,163,620
Interest	2,289,544	89,764	445,252	30,842	1,094,283		3,949,684
Total Sources	366,399,462	69,056,980	71,152,084	7,661,995	78,799,127	(12,781,404)	580,288,244
Funds Available	366,399,462	69,056,980	71,152,084	7,661,995	78,799,127	(12,781,404)	580,288,244
Uses of Funds							
Transfers to Other FFF		5,000,000	5,000,000		2,781,404	(12,781,404)	
Transfers for Infrastructure Asset Maintenance	212,481,069	48,884,738	17,854,708				279,220,515
Payments for Technical Assistance - Advisers				1,297,773	53,675,940		54,973,713
Payments for Technical Assistance - Consultancies				3,497,502	11,775,400		15,272,901
Payments for Technical Assistance - In Line Positions				1,709,168			1,709,168
Taxes							
Bank Fees		23	80	864	1,736		2,702
Total Uses	212,481,069	53,884,761	22,854,788	6,505,307	68,234,480	(12,781,404)	351,179,000
Closing Balance	153,918,393	15,172,219	48,297,296	1,156,689	10,564,647	(0)	229,109,244