

# ASIAN DEVELOPMENT BANK MEMBER FACT SHEET



## Papua New Guinea: 2022 Commitments (\$ million)<sup>a</sup>

Product Type	Sovereign	Nonsovereign	Total
Loans	671.50	–	671.50
Grants	10.69	–	10.69
Technical Assistance <sup>b</sup>	3.85	0.53	4.37
<b>Total</b>	<b>686.04</b>	<b>0.53</b>	<b>686.56</b>

– = nil, DMC = developing member country, TA = technical assistance.

Notes:

Commitment is the financing approved by ADB's Board of Directors or Management for which the legal agreement has been signed by the borrower, recipient, or the investee company and ADB.

Grants and TA include ADB-administered cofinancing.

<sup>a</sup> Numbers may not sum precisely because of rounding.

<sup>b</sup> Financing for TA projects with regional coverage is distributed to their specific DMCs where breakdown is available.

ADB seeks to improve infrastructure and the private sector environment; strengthen governance, financial management, and service delivery; and address inclusivity and build resilience in Papua New Guinea.

## PAPUA NEW GUINEA

Papua New Guinea (PNG) is a resource-dependent, lower middle-income country classified by the Asian Development Bank (ADB) as a fragile and conflict affected situation. The economy is dominated by the capital-intensive mineral and petroleum extractives sectors and the labor-intensive agricultural sector. In 2022, GDP grew by an estimated 3.2% as economic activity normalized across sectors following the impact of the coronavirus disease (COVID-19) pandemic.

ADB is one of the country's largest sources of official development assistance, with an average annual lending of \$339 million over 5 years from 2017 to 2022. ADB's support is aligned with the Government of Papua New Guinea's development plans, including the Medium-Term Development Plan 2018–2022 (see volumes I and II), *Development Strategic Plan 2030*, and *Vision 2050*.

To date, ADB has committed 268 public sector loans, grants, and technical assistance totaling \$4.7 billion to PNG. Cumulative loan and grant disbursements to PNG amount to \$3.44 billion. These were financed by regular and concessional ordinary capital resources, the *Asian Development Fund*, and other special funds. ADB's ongoing sovereign portfolio in Papua New Guinea includes 16 loans and 1 grant worth \$1.53 billion.<sup>1</sup>

## Papua New Guinea: Cumulative Commitments<sup>a, b, c, d</sup>

Sector	No.	Total Amount (\$ million) <sup>e</sup>	% of Total Amount <sup>e</sup>
Agriculture, Natural Resources, and Rural Development	42	202.57	4.09
Education	14	126.77	2.56
Energy	32	458.70	9.27
Finance	17	76.41	1.54
Health	43	965.96	19.52
Industry and Trade	13	39.88	0.81
Information and Communication Technology	1	25.27	0.51
Multisector	3	16.31	0.33
Public Sector Management	35	639.66	12.93
Transport	85	2,340.02	47.29
Water and Other Urban Infrastructure and Services	14	56.57	1.14
<b>Total</b>	<b>299</b>	<b>4,948.11</b>	<b>100.00</b>

DMC = developing member country, TA = technical assistance.

<sup>a</sup> Grants and TA include ADB-administered cofinancing.

<sup>b</sup> Includes loans, grants, equity investments, and TA.

<sup>c</sup> Using primary sector in the reporting of commitments.

<sup>d</sup> From 2020, financing for TA projects with regional coverage is distributed to their specific DMCs where breakdown is available.

<sup>e</sup> Numbers may not sum precisely because of rounding.

<sup>1</sup> Sovereign portfolio consists of loans, grants, equity investment, and sovereign guarantee committed and not financially closed. Regional projects with loans/grants to multiple countries are reported separately.



ADB has provided comprehensive support to assist PNG in its recovery from the COVID-19 pandemic. In 2020, ADB provided a \$250-million COVID-19 pandemic response option, which helped the government finance and implement its pandemic response plan. Additionally, a separate policy-based loan program disbursed a total of \$500 million of budget support over 2020–2022 to reform and strengthen the operational performance and financial sustainability of state-owned enterprises. ADB technical assistance is also helping mitigate fiscal and debt risks.

ADB is financing large-scale infrastructure investments in transport and energy, including the ongoing \$1-billion program for the rehabilitation and sustainable maintenance of 430 kilometers of highway in the highland areas. This program is also upgrading bridges, improving road safety, establishing logistics platforms and services for agricultural production, and supporting transport sector reforms. Support for strengthening technical and vocational education and training institutions in 2023 will equip the workforce with the skills to contribute to these and other areas of economic growth.

A grid development project to upgrade and extend the transmission and distribution grid in the national capital, Port Moresby, was approved in 2022. Also approved was the Civil Aviation Development Investment Project (Phase 2) which will support the upgrade of airports and a sample of four rural airstrips (pilot) throughout PNG. ADB has also supported reforms in the health sector; and through technical assistance, and continues to support efforts to bolster public financial management.

**Nonsovereign operations.** Total outstanding balances and undisbursed commitments of ADB's nonsovereign transactions in Papua New Guinea as of 31 December 2022 was \$30.68 million representing 0.24% of ADB's total private sector portfolio.

**Operational challenges.** PNG faces operational and implementation challenges like other countries in fragile and conflict-affected situations. To improve program implementation, key issues that need to be addressed include delays in procurement and approval of contracts; insufficient government counterpart funding; low capacity of executing and implementing agencies in contract and financial management, as well as social and environmental safeguards; and the weak capacity of contractors and consultants in project management and coordination.

## KNOWLEDGE WORK

ADB provides knowledge solutions, products, and services, in addition to financial assistance. Knowledge solutions in PNG support reforms related to state-owned enterprises, public financial management, and regulatory business environment, and include advice for the development of social protection systems, among other examples. Knowledge products include specific publications linked to project and sector work, as well as regular publications such as the biannual Pacific Economic Monitor series. ADB organizes events that provide updates to stakeholders on the bank's operations in PNG, economic updates, and tailored workshops under projects or capacity building programs, for example, in financial management.

### Papua New Guinea: Share of Procurement Contracts for Loan, Grant, and Technical Assistance Projects

Item	Goods, Works, and Related Services	
	Amount (\$ million)	% of Total
2021	168.55	1.11
2022	317.76	1.96
Cumulative (as of 31 Dec 2022)	1,978.03	0.80

  

Item	Consulting Services	
	Amount (\$ million)	% of Total
2021	2.85	0.40
2022	1.58	0.29
Cumulative (as of 31 Dec 2022)	73.08	0.47

  

Item	Total Procurement	
	Amount (\$ million)	% of Total
2021	171.40	1.08
2022	319.34	1.91
Cumulative (as of 31 Dec 2022)	2,051.11	0.78

### Top 5 Contractors/Suppliers from Papua New Guinea Involved in Goods, Works, and Related Services Contracts under ADB Loan and Grant Projects, 1 January 2018–31 December 2022

Contractor/Supplier	Sector	Contract Amount (\$ million)
China Wu Yi (PNG) Co. Ltd.	TRA	56.95
AG Investment Ltd.	ENE	36.04
Pacific Development Contractors Ltd.	HLT	21.28
Lorma Construction Ltd. - Soco (JV)	TRA	15.06
Haom Builders Ltd.	HLT	9.17
Others		1,157.76
Total		1,296.26

ENE = energy, HLT = health, JV = joint venture, TRA = transport.

### Top 5 Consultants from Papua New Guinea Involved in Consulting Services Contracts under ADB Loan, Grant, and Technical Assistance Projects, 1 January 2018–31 December 2022

Consultant	Sector	Contract Amount (\$ million)
University of Papua New Guinea Remote Sensing Center	HLT	9.40
United Nations Development Programme	PSM	3.00
Agility Ltd. (Papua New Guinea)	HLT	1.87
Lapwing Construction Ltd.	HLT	1.28
Cardno (PNG) Ltd.	HLT	1.20
Individual Consultants		11.40
Others		7.17
Total		35.31

HLT = health, PSM = public sector management.

### Papua New Guinea: Ordinary Capital Resources Nonsovereign Commitments by Product

	2022	2018–2022
Number of Transactions Signed (OCR)	0	2
Number of Transactions Signed (Programs)	0	0
	Amount (\$ million)	
Loans	–	–
Equity Investments	–	35.00
Guarantees	–	–
Debt Security	–	–
Trade and Supply Chain Finance Program and Microfinance Program	–	–
Total	–	35.00

– = nil, OCR = ordinary capital resources.

## FINANCING PARTNERSHIPS

Financing partnerships enable ADB's financing partner governments or their agencies, multilateral financing institutions, and private organizations to participate in financing ADB projects. The additional funds provided may be in the form of loans and grants, technical assistance, and nonsovereign cofinancing.

Cumulative cofinancing commitments in Papua New Guinea:

- Sovereign cofinancing: \$730.41 million for 27 investment projects and \$10.37 million for 14 technical assistance projects since 1980
- Nonsovereign cofinancing: \$204.64 million for two investment projects since 2009

In 2022, Papua New Guinea received \$59.50 million loan cofinancing from Australia for the Power Sector Development Project, and a total of \$24.49 million grant cofinancing from Australia and New Zealand for three projects.

A summary of projects with cofinancing from 1 January 2018 to 31 December 2022 is available at [www.adb.org/countries/papua-new-guinea/cofinancing](http://www.adb.org/countries/papua-new-guinea/cofinancing).

## FUTURE DIRECTIONS

ADB's indicative country assistance pipeline for PNG for 2023–2025 outlines planned investments of around \$2.07 billion in the following sectors: transport (65%); public sector management (13%); energy (14%); water, sanitation, and hygiene (4%); health (2%); and finance (2%). The pipeline strongly supports climate change mitigation and gender equity. Planned transport, energy, and water projects aim to facilitate significant economic opportunities and support increased access to services to expand employment opportunities, including for women. A proposed project to promote financial inclusion will support increased access to finance. ADB anticipates continuing to finance health infrastructure to strengthen capacity for public health surveillance and COVID-19 testing in rural areas. To address fragility, ADB will continue to support public sector management reforms, including by helping to strengthen state-owned enterprises.

## Papua New Guinea: Portfolio Performance Quality Indicators for Sovereign Lending and Grants, 2021–2022

No. of Ongoing Loans <sup>a</sup> (as of 31 Dec 2022)	16	
	2021 (\$ million)	2022 (\$ million)
Contract Awards <sup>b, c</sup>	24.24	171.92
Disbursements <sup>b</sup>	336.19	372.61
No. of Ongoing Grants <sup>a, d</sup> (as of 31 Dec 2022)	1	
	2021 (\$ million)	2022 (\$ million)
Contract Awards <sup>b, c, d</sup>	–	3.00
Disbursements <sup>b, d</sup>	–	–
At Risk Projects (%) <sup>e</sup> (as of 31 Dec 2022)	33	

– = nil.

Note: Totals may not add up because of rounding.

<sup>a</sup> Based on commitments.

<sup>b</sup> Includes closed loans/grants that had contract awards or disbursements during the year.

<sup>c</sup> Excludes policy-based, results-based, financial intermediation/credit, CPRO (COVID-19 Pandemic Response Option), and fully administered cofinanced loans and grants.

<sup>d</sup> Includes only Asian Development Fund and other ADB special funds.

<sup>e</sup> Covers active projects as of 31 December 2022.

## Papua New Guinea: Independent Evaluation Ratings for Sovereign and Nonsovereign Operations, 2013–2022

	Total Number of Validated and Evaluated Projects and Programs	Evaluation Ratings		
		Highly successful and successful	Less than successful	Unsuccessful
Sovereign Operations	11	1	10	–
Nonsovereign Operations	1	1	–	–

– = nil, IED = Independent Evaluation Department.

Note: The numbers indicate sovereign and nonsovereign operations in the country that have been validated or evaluated by the IED and their overall performance ratings. The coverage consists of all validated or evaluated project completion reports and extended annual review reports circulated by ADB within the 10-year period from 1 July 2012 to 30 June 2022. See [evaluations](#) related to Papua New Guinea.

Source: IED success rate database.

## Papua New Guinea: Projects Cofinanced, 1 January 2018–31 December 2022

Cofinancing	No. of Projects	Amount (\$ million) <sup>a</sup>
Sovereign <sup>b</sup>	13	474.15
Loans	3	397.30
Grants	8	73.38
Technical Assistance	3	3.48
Nonsovereign	1	52.00

<sup>a</sup> Numbers may not sum precisely because of rounding.

<sup>b</sup> A project with more than one source of cofinancing is counted once.



## ADB AT A GLANCE

ADB is committed to achieving a prosperous, inclusive, resilient, and sustainable Asia and the Pacific, while sustaining its efforts to eradicate extreme poverty. It has 68 members—of which 49 are from Asia and the Pacific and 19 outside. ADB headquarters is in Manila, Philippines and has 43 offices around the world, with 3,775 staff from 66 members as of 31 December 2022.

ADB maximizes the development impact of its assistance to its members by providing financing and tailored knowledge solutions through policy dialogue and advisory services, among others. It mobilizes financial resources through cofinancing from official, commercial, and export credit sources.

ADB met strong demand for its assistance in 2022. It unlocked greater resources for its members through the private sector and partnerships. ADB provided financing for climate change mitigation and adaptation initiatives, education quality and access, affordable health care, and more sustainable and climate-resilient food systems. In 2022, 97% of ADB operations contributed to gender equality. ADB fostered greater regional collaboration on issues such as health threats and tax cooperation. ADB also responded to demand for tailored knowledge solutions from its members.

**ADB operations.** In 2022, ADB committed \$20.5 billion in loans, grants, equity investments, guarantees, private sector programs, and technical assistance to both the public and private sectors of its borrowing members. ADB bolstered its total support with cofinancing of \$11.4 billion.

As of 31 December 2022, ADB's cumulative commitments in 45 countries stood at \$358.4 billion covering 4,189 loans, \$12.6 billion in 566 grants, and \$5.5 billion in technical assistance grants, including regional technical assistance grants.

In addition to loans, grants, and technical assistance, ADB uses guarantees, equity investments, and private sector programs to help its developing member countries.

Total commitments in nonsovereign loans, equity investments, and guarantees from ADB's own funds in 2022 amounted to \$1.1 billion for 37 transactions in economic and social infrastructure, finance sector, and agribusiness.

In 2022, ADB mobilized \$1.7 billion of long-term project cofinancing and \$5.3 billion of cofinancing through its Trade and Supply Chain Finance Program and Microfinance Program. Total outstanding balances and undisbursed commitments of nonsovereign transactions funded by ADB's own resources stood at \$12.8 billion as of 31 December 2022.

## FINANCING PARTNERSHIPS

Total sovereign and nonsovereign cofinancing commitments, 2022

- \$11.39 billion for 165 projects, of which:
  - » \$11.2 billion, 75 investment projects,
  - » \$126.49 million, 87 technical assistance projects,
  - » \$60 million transaction advisory services mandates for 3 projects.

Cumulative sovereign and nonsovereign cofinancing commitments, 1970–2022

- \$151.87 billion for 3,292 projects, of which:
  - » \$147.81 billion, 1,163 investment projects,
  - » \$2.92 billion, 2,120 technical assistance projects,
  - » \$1.13 billion transaction advisory services mandates for 9 projects.

## PROCUREMENT

### ADB's Procurement Contracts, 2022

#### Goods, Works, and Related Services

ADB's procurement contracts in Asia and the Pacific for goods, works, and related services under loan and grant operations:

- \$15.23 billion in 2021
- \$16.19 billion in 2022
- \$247.06 billion covering 228,149 contracts, cumulative procurement since 1966.

#### Consulting Services

ADB's procurement contracts in Asia and the Pacific for consulting services under loan, grant, and technical assistance operations:

- \$706.65 million in 2021
- \$535.61 million in 2022
- \$15.45 billion covering 74,995 contracts, cumulative procurement since 1966.

## MORE ABOUT PAPUA NEW GUINEA AND ADB

### Shareholding and Voting Power

Number of shares held:	9,960 (0.094% of total shares)
Votes:	49,074 (0.369% of total membership, 0.567% of total regional membership)
*Overall capital subscription:	\$132.55 million
*Paid-in capital subscription:	\$6.61 million

\*United States dollar figures are valued at rate as of 31 December 2022.

**ADB Governor:** James Marape MP

**ADB Alternate Governor:** Andrew Oaeko

**ADB Director:** Sangmin Ryu (Republic of Korea)

**ADB Alternate Director:** Damien Horiambi (Papua New Guinea)

**ADB Director's Advisors:** Sun Young Jin (Republic of Korea) and Hsu-Juan Hou (Taipei, China)

## CONTACTS

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**Established:** 2003

**Country Director:** Said Zaidansyah

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### Useful ADB websites

Asian Development Bank  
[www.adb.org](http://www.adb.org)

Annual Report  
[www.adb.org/documents/series/adb-annual-reports](http://www.adb.org/documents/series/adb-annual-reports)

Asian Development Outlook  
[www.adb.org/publications/series/asian-development-outlook](http://www.adb.org/publications/series/asian-development-outlook)

ADB Data Library  
[data.adb.org](http://data.adb.org)

Notes: (i) Figures are estimated by ADB unless otherwise stated.  
“\$” refers to United States dollars. (ii) Data are updated as of 31 December 2022 unless otherwise indicated.