

Country Name	<b>The Project for Capacity Development of Department of Transport in Port Policy and Administration</b>
Independent State of Papua New Guinea	

**I. Project Outline**

Background	Papua New Guinea (PNG) is composed of more than 600 small and large islands with steep mountains, and movement of people and goods largely depends on maritime transport. However, existing facilities of major ports in PNG, constructed in the 1960s-70s, had been deteriorated and did not meet the growing traffic volume or the trend of growing size of ships such as container vessels. In addition, government's responsibilities and decision-making process in port administration were not clear, since administrative and regulatory functions had been delegated or transferred from the Department of Transport (DoT) to PNG Ports Corporation Limited (PNGPCL) and the National Maritime Safety Authority (NMSA). Under such circumstances, the Government of PNG requested the Government of Japan to assist in developing capacity for port policy and administration.										
Objectives of the Project	<p>The project aimed to enhance the capacity of the Department of Transport (DoT) as the national port administrator; through i) clarifying the roles and responsibilities of DoT and other organization, ii) enhancing basic skills and knowledge to execute port administration, and iii) collecting and analysing basic information on port facilities; thereby contributing to smooth execution of national port administration in PNG.</p> <ol style="list-style-type: none"> <li>Overall Goal: National port administration in PNG is executed smoothly through strengthening the capacity of government officials of PNG.</li> <li>Project Purpose: Capacity of the Department of Transport (DoT) to reassume the national port administrator to develop policy, plans and enforce law/regulation is enhanced.</li> </ol>										
Activities of the Project	<ol style="list-style-type: none"> <li>Project Site: i) Project Head Office in Port Moresby, ii) Target areas covering the 15 Maritime Provinces<sup>1</sup>.</li> <li>Main Activities: <ol style="list-style-type: none"> <li>To review the current organizational status of port administration, and to prepare expected institutional structure for port administration.</li> <li>To conduct lectures on i) port inventory, ii) port governing system<sup>2</sup>, iii) port statistics, iv) criteria/guidance for port development, and v) other themes related to port policy and administration.</li> <li>To compile a port inventory through collecting information by physical surveys, and analysing the obtained data.</li> </ol> </li> <li>Inputs (to carry out above activities): <table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">Japanese Side</td> <td style="width: 50%;">PNG Side</td> </tr> <tr> <td>1) Experts: 12 persons</td> <td>1) Staff Allocated: 8 persons (6 from DoT and 2 from PNGPCL)</td> </tr> <tr> <td>2) Trainees Received: 12 persons in Japan, 4 persons in the Philippines</td> <td>2) Office space</td> </tr> <tr> <td>3) Operation costs</td> <td>3) Operation costs</td> </tr> </table> </li> </ol>			Japanese Side	PNG Side	1) Experts: 12 persons	1) Staff Allocated: 8 persons (6 from DoT and 2 from PNGPCL)	2) Trainees Received: 12 persons in Japan, 4 persons in the Philippines	2) Office space	3) Operation costs	3) Operation costs
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Project Period	(ex-ante) Jan. 2014 – Jan. 2017 (actual) Jan. 2014 – Mar. 2018	Project Cost	(ex-ante) 199 million yen, (actual) 267 million yen								
Implementing Agency	Department of Transport (DoT)										
Cooperation Agency in Japan	The Overseas Coastal Area Development Institute of Japan										

**II. Result of the Evaluation**

<Special Perspectives Considered in the Ex-Post Evaluation>

[Project Purpose and Its Indicators]

Under this project, the original Project Purpose and indicators were revised during the Joint Coordination Committee (JCC) meeting dated September 7<sup>th</sup> 2016. According to the minutes of the meeting, this revision was meant for “aligning with the actual project activities”. The evaluator, however, observes some sort of discrepancy between the Project Purpose and its two indicators. While the Project Purpose<sup>3</sup> was elevated to a higher level, which could not be achieved only by this project, the two indicators were set as rather achievable ones as shown in the next paragraph. Nonetheless, as per the general rules of JICA's internal evaluation, this ex-post evaluation adopted the revised Project Design Matrix (PDM, a matrix to describe the project framework) and made judgement based on the revised indicators.

[How to Examine Continuation Status of Project Effects]

Regarding the Project Purpose, both Indicator 1 (the result of an achievement test) and Indicator 2 (presenting a proposal) show rather one-time achievement. Therefore, “sustainability of developed capacity” and “utilization of the presented proposal” were examined for continuation of Indicators 1 and 2 respectively.

<sup>1</sup> “Maritime Province” is defined as a province where 59% of the population do not have access to land or air transportation and depend on maritime transportation. The project covered the all 15 Maritime Provinces namely: Western Province, Gulf Province, National Capital District, Central Province, Milne Bay Province, Oro Province, Morobe Province, Madang Province, East Sepik Province, West Sepik Province, Manus Province, New Ireland Province, East New Britain Province, West New Britain Province, and the Autonomous Region of Bougainville.

<sup>2</sup> “A port governing system” is a system to categorize ports based on certain standards for administrative purposes.

<sup>3</sup> The original Project Purpose was “The Project Team understands the purpose of national port administration, the functions, organizations and policy measures for executing national port administration as a national government organization”, which was revised to “Capacity of DoT to reassume the national port administrator to develop policy, plans and enforce law/regulation is enhanced”.

## 1 Relevance

<Consistency with the Development Policy of PNG at the Time of Ex-Ante Evaluation>

The project aligned with PNG policy, “Papua New Guinea Development Strategic Plan (2010-2030)”, emphasizing maintenance and development of port facilities and strengthening administrative capacity. As a strategy to focus on the transport sector, “National Transport Strategy” was prepared with assistance of the Asian Development Bank, and approved and issued by the Government of PNG in July 2013. Based on the Strategy, “Medium Term Transport Plan (2014-2018)” was formulated as a mid-term action plan.

<Consistency with the Development Needs of PNG at the Time of Ex-Ante Evaluation>

As mentioned in “Background”, government’s responsibilities and decision-making process in port administration were not clear at the time of Ex-Ante Evaluation. “National Transport Strategy (2013)” proposed the DoT legal team to prepare legislation for the management and operation of declared (main) and undeclared ports, while centralizing the functions of port administration and regulation at newly established “National Maritime Administration”. Under this transforming stage of the port sector, the project focused on basic knowledge/skills on port policy and inventory. Such assistance was considered to be the basis of port administration, regardless of which agency would be in charge of. (On the other hand, the area of port legislation was assisted by the Australian Agency for International Development.)

<Consistency with Japan’s ODA Policy at the Time of Ex-Ante Evaluation>

The project was consistent with “Japan’s ODA Policy for the Independent State of Papua New Guinea (2012)”, focusing on transport infrastructure development, under a priority area, i.e., “Strengthening of Foundation of Economic Growth”. Capacity development under this priority area was also focused.

<Evaluation Result>

In light of the above, the relevance of the project is high.

## 2 Effectiveness/Impact

<Status of Achievement of the Project Purpose at the Time of Project Completion>

The Project Purpose was achieved at the time of project completion. The average score on the final achievement test for the assigned eight (8) staff was 78% against the target of 70% (Indicator 1). Two (2) project assigned staff from DoT were members of the Working Group for National Maritime Administration Steering Committee, and they proposed ideas to the Committee on port sector governance, management and functional alignment of each maritime agency, based on what was learned from the project (Indicator 2). The project covered areas on i) port inventory, ii) port governing system, iii) port statistics, iv) criteria/guidance for port development, and v) national port administration. Series of workshops/seminars were conducted not only for DoT but also other maritime agencies. It is notable that the project compiled a port inventory through field surveys of as many as 115 ports. At project completion, such surveys were conducted solely by project assigned staff without assistance of Japanese Experts.

<Continuation Status of Project Effects at the Time of Ex-Post Evaluation>

The project effects have been continued till the time of ex-post evaluation. Most of the project assigned staff have remained in port-related positions, and have transferred knowledge gained during the project. For example, the textbooks developed by the project have been utilized and referred to, and the port inventory compiled under the project has been utilized to check facilities of each port. Update of the port inventory was recommended at project completion, and DoT has been conducting surveys for this purpose. With regards to port sector reform, the idea of establishing National Maritime Administration was abandoned in 2018, due to withdrawal of the foreign consulting firm leading this subject. Based on proposals made by this project, however, the maritime agencies have kept discussing how to administer the port sector. The proposals made by the project are continuously discussed by the Maritime Expert Group, which was organized by the Government of PNG in the end of 2020.

<Status of Achievement of the Overall Goal at the Time of Ex-Post Evaluation>

The Overall Goal has been partially achieved. Under the project, roles and responsibilities of DoT and other maritime agencies were proposed. The project pointed out the issue of duplication of roles, and recommended proper demarcation among agencies. For example, DoT was proposed to have regulatory roles, but they were often implemented by PNG Port Corporation Limited (PNGPCL) responsible for operation of each port. Although port sector governance has been discussed since project completion, prevalence of functional duplications among the maritime agencies is yet to be resolved. (Refer to 4. Sustainability <Policy Aspect> below.) To resolve this issue, duplications of laws/regulations in the port sector are currently discussed by the Maritime Expert Group, and a detailed planning survey for the phase two project by JICA is being conducted to support this process.

<Other Impacts at the Time of Ex-Post Evaluation>

No negative impacts have been observed.

<Evaluation Result>

Therefore, the effectiveness/impact of the project is high.

### Achievement of Project Purpose and Overall Goal

Aim	Indicators	Results	Source
(Project Purpose) Capacity of the Department of Transport (DoT) to reassume the national port administrator to develop policy, plans and enforce law/regulation is enhanced.	Indicator 1: Average 70% is scored on final achievement tests by project members.	Status of the Achievement (Status of the Continuation): achieved (continued) (Project Completion) - The average score on the achievement test taken by the eight (8) assigned staff was 78%. (Ex-Post Evaluation) - Most of the project assigned staff have remained in port-related positions, and have transferred knowledge gained during the project.	Project Completion Report, Questionnaire/ interview with DoT

	Indicator 2: Proposal presented by DoT to National Maritime Administration Steering Committee for institutional reform of port sector (roles and responsibilities taken by DoT).	Status of the Achievement (Status of the Continuation): achieved (continued) (Project Completion) - DoT proposed ideas on port sector governance, management, and functional alignment of each maritime agency, based on what was learned from the project. (Ex-Post Evaluation) - Although the idea of establishing National Maritime Administration was abandoned, proposals by DoT based on the project have been discussed among the stakeholders.	ditto								
(Overall Goal) National port administration in PNG is executed smoothly through strengthening the capacity of government officials of PNG.	Confirmed roles and responsibilities of DoT and other organizations in the port sector.	(Ex-Post Evaluation) partially achieved - The following table summarizes the general distribution of roles among main maritime agencies, which was explained in detail by the project, and has been discussed after project completion. In the reality, however, functional duplications are still on the way of being resolved.  Main Maritime Agencies' Roles <table border="1"> <thead> <tr> <th>Agencies</th> <th>Roles and Responsibilities</th> </tr> </thead> <tbody> <tr> <td>Department of Transport (DoT)</td> <td>Sector policy, coordination, monitoring and regulatory roles as a lead agency overseeing all maritime transport activities.</td> </tr> <tr> <td>PNG Ports Corporation Limited (PNGPCL)</td> <td>Management of all declared ports under their delegated jurisdiction, movement and handling of cargos, charges and fees collected on ports dues, stevedoring, etc.</td> </tr> <tr> <td>National Maritime Safety Authority (NMSA)</td> <td>Safety of navigations aids, search and rescue, oil spill response and pilotage, etc.</td> </tr> </tbody> </table>	Agencies	Roles and Responsibilities	Department of Transport (DoT)	Sector policy, coordination, monitoring and regulatory roles as a lead agency overseeing all maritime transport activities.	PNG Ports Corporation Limited (PNGPCL)	Management of all declared ports under their delegated jurisdiction, movement and handling of cargos, charges and fees collected on ports dues, stevedoring, etc.	National Maritime Safety Authority (NMSA)	Safety of navigations aids, search and rescue, oil spill response and pilotage, etc.	Questionnaire/ interview with DoT
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### 3 Efficiency

Both the project cost and period exceeded the plan (ratio against the plan: 134% and 139% respectively). This is due to one-year extension of the project period for further enhancing the basic skills and knowledge of the trained staff, while closely monitoring the port sector reform in PNG. The project's Outputs were produced as planned.

Therefore, the efficiency of the project is fair.

### 4 Sustainability

#### <Policy Aspect>

Instead of "National Transport Strategy (2013)", "Medium Term Transport Plan II (2019-2022)" is currently effective as the policy to sustain the project effects. The Plan points out the prevalence of functional duplications among the maritime agencies, which was addressed by the project, and prioritizes policy and legislation programs to resolve this issue.

#### <Institutional/Organizational Aspect>

Since the idea of establishing National Maritime Administration did not materialize, there has been no change in the institutional arrangement in the port sector. In the Department of Transport (DoT), Maritime Transport Division has the overall responsibility of the port sector, and 10 staff are allocated. According to DoT, the number of staff at the Division is insufficient, but DoT is planning to recruit more staff and to prioritize the Division for assignment.

#### <Technical Aspect>

Knowledge and skills gained by the project are well utilized. For example, staff are using the port inventory not only for checking port facilities but also discussing with provincial governments on port facilities. Textbooks developed by the project are used not only for daily work in the maritime agencies, but also for quarterly seminars for new officials of DoT.

#### <Financial Aspect>

According to DoT, necessary funding is secured for Maritime Transport Division with monthly allocation of around PGK 5,000.

#### <Evaluation Result>

In light of the above, some problems have been observed in terms of the policy and institutional/organizational aspects of the implementing agency. Therefore, the sustainability of the project effects is fair.

### 5 Summary of the Evaluation

The project achieved the Project Purpose (i.e., Capacity of the Department of Transport (DoT) to reassume the national port administrator to develop policy, plans and enforce law/regulation is enhanced.) The project effects have been continued, and the Overall Goal (i.e., National port administration in PNG is executed smoothly through strengthening the capacity of government officials of PNG.) has been "partially achieved", since functional duplications among maritime agencies are still on the way of being resolved. Regarding the Sustainability, some problems have been observed in terms of the policy and institutional/organizational aspects of the implementing agency, while no major problem has been observed in terms of technical and financial aspects. As for the Efficiency, both the project cost and period exceeded the plan.

Considering all of the above points, this project is evaluated to be satisfactory.

### III. Recommendations & Lessons Learned

#### Recommendations for Implementing Agency:

- It is recommended for the Department of Transport (DoT) to update the port inventory and textbooks developed by this project. Through updating these documents, DoT can check the latest information and also remark that DoT has the main responsibility for the port sector. As an example of DoT's such efforts, DoT has been implementing surveys by visiting provinces and ports for the purpose of updating the port inventory. However, compiling the survey results in the form of an updated inventory is still to be done. It would be desirable that making updates of these documents as DoT's fiscal year goal and thus staff's mandates.

#### Lessons Learned for JICA:

- It is important to set the Project Purpose and its indicators in an appropriate manner, considering the logic and the current situation, when revising them during project implementation. As mentioned in <Special Perspectives Considered in the Ex-Post Evaluation>, the evaluator observes some sort of discrepancy between the Project Purpose and its two indicators which were revised during a JCC meeting. The Project Purpose was elevated to a higher level, which was not under the control of this project especially at the transforming stage of the port sector. On the other hand, the two indicators were revised as rather achievable ones. As per the general rules of internal evaluation, the judgement was made based on the revised indicators, and thus the Project Purpose was judged as "achieved". This judgement, however, would raise a question if taking the Project Purpose literally.
- Under this project, the Overall Goal was set as "National port administration in PNG is executed smoothly through strengthening the capacity of government officials of PNG". To verify the achievement, the indicator for this Overall Goal was set as "Confirmed roles and responsibilities of DoT and other organizations in the port sector." Since the words, "confirmed roles ...", did not clearly indicate the targeted status, it was difficult to examine the achievement of the Overall Goal. For appropriate project evaluation, it is important to set a clear indicator. It is also necessary to give attention to a difference in nuance between English and Japanese languages, and to scrutinize sentences for goals and indicators in both languages.
- It is important to review the duplication of relevant laws and regulations, when demarcating the roles and responsibilities among maritime agencies. For this purpose, collaboration with stakeholders across projects is essential. When this project was implemented, legislative assistance was conducted by another development partner, but duplication of functions among maritime agencies is yet to be resolved. Having learnt from this project, JICA is planning to tackle duplication of laws/regulations in the phase two project through collaboration with the development partner, DoT and other maritime agencies.



Visited Milne Bay Province in May 2020 for Inventory Update  
(With Province Transport Coordinators)



Visited Madang Province in February 2021 for Inventory Update  
(Inspection on PNGPCL Wharf)