



Validation Report

Reference Number: PCV PNG 2010-14
Project Number: 32189
Loan Number: 1925(SF)
April 2010

Papua New Guinea: Coastal Fisheries Management and Development Project

Independent Evaluation Department

Asian Development Bank

ABBREVIATIONS

ADB	–	Asian Development Bank
CBM	–	community-based management
CFMDP	–	Coastal Fisheries Management and Development Project
IED	–	Independent Evaluation Department
IED2	–	Independent Evaluation Division 2
NFA	–	National Fisheries Authority
PCR	–	project completion report
PNG	–	Papua New Guinea
PNRM	–	Papua New Guinea Resident Mission
PSC	–	project steering committee
RRP	–	report and recommendation of the President

NOTE

In this report, "\$" refers to US dollars.

Key Words

adb, asian development bank, community-based management, fish aggregating device, national fisheries authority, project steering committee

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The guidelines formally adopted by the Independent Evaluation Department (IED) on avoiding conflict of interest in its independent evaluations were observed in the preparation of this report. To the knowledge of the management of IED, there were no conflicts of interest of the persons preparing, reviewing, or approving this report.

In preparing any evaluation report, or by making any designation of or reference to a particular territory or geographic area in this document, the Independent Evaluation Department does not intend to make any judgments as to the legal or other status of any territory or area.

PROJECT COMPLETION REPORT VALIDATION FORM

A. Basic Project Data		PCR Validation Date:	April 2010				
Project/Loan Number:	1925(SF)/32189		Approved	Actual			
Project Name:	Coastal Fisheries Management and Development Project	Total Project Costs (\$ million): (SDR equivalent)	9.50	4.70			
Country:	Papua New Guinea	Loan (\$ million): (SDR equivalent):	5.75 4,284,000	3.93 2,649,080			
Sector:	Agriculture	Total Cofinancing:	0.00	0.00			
ADB Financing (\$ million):	ADF: 5.75	Borrower (\$ million):	3.80	0.76			
	OCR: 0.00	Beneficiaries (\$ million):	0.00	0.00			
Cofinanciers:	none	Others (\$ million):	0.00	0.00			
Approval Date:	24 Oct 2002	Effectiveness Date:	25 Feb 2003	22 Jul 2003			
Signing Date:	27 Nov 2002	Closing Date:	28 Feb 2008	18 Sep 2008			
Project Officers:	Name:	Location (HQ or RM):	From (year)	To (year)			
	T.G. Tarp				HQ & PNRM	2002	2006
	A. Lee				PNRM	2006	2008
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ADB = Asian Development Bank, ADF = Asian Development Fund, HQ = headquarters, IED2 = Evaluation Division 2, OCR = ordinary capital resources, PCR = project completion report, PNRM = Papua New Guinea Resident Mission, SDR = special drawing right.

B. Project Description (summarized from report and recommendation of the President)

- (i) **Rationale.** Papua New Guinea (PNG) had large fishery resources that not only underpinned recent growth in the commercial fishery sector but also provided livelihoods for the coastal communities through subsistence and small-scale fishing. While the domestic tuna longline fisheries increased and expanded the export of fresh fish and other marine products, the development of small-scale fisheries was constrained by high operating costs. Rural people's increasing basic needs such as for education and consequently school fees forced small-scale and subsistence fishers to target primarily high-value species such as sea cucumber and trochus shells. Consequently, many of these stocks were overfished, and few alternative income opportunities were left.

Commercial fisheries developed most of the basic infrastructure and related services needed to access the more lucrative domestic and overseas markets. Linking small-scale fisheries to these centers was envisaged to provide the basis for economically viable small-scale fisheries. This was to be achieved by providing such infrastructure as jetties at or near commercial centers, thus creating opportunities to obtain higher prices by exporting quality marine products to larger cities and overseas. At the same time, there was the need to stabilize exploitation at sustainable levels and reverse the decline in some fisheries. Provincial and local administrations, which were largely responsible for coastal resource management, required appropriate skills, systems, and resources to carry out this task in partnership with local communities.

The lack of basic social amenities, a general lack of safety, and deteriorating law and order in many coastal cities were issues that affected women, who dominated small-scale fish trading and processing. Improved social infrastructure, including places for sleeping, sanitation, and safety, were to be addressed to achieve sustainability in coastal fisheries.

Given this rationale, the goal of the Coastal Fisheries Management and Development Project (CFMDP) was to sustain the productivity of PNG's valuable coastal fishery resources while reducing poverty in coastal communities whose livelihoods depended on fisheries. The CFMDP targeted major fish-landing areas and their surrounding coastal communities in 4 of PNG's 14 maritime provinces. Fishing and employment related to fishing was a major source of income and sustenance for most households in the targeted communities.

- (ii) **Impact.** The direct, quantifiable benefits of the CFMDP were envisaged to include (a) the increased value of catches of fish and other marine products, (b) time and cost savings from improved fish-landing access, and (c) increased marketing opportunities for operators of small boat and vendors of fish and marine products using the harbor facilities. Fishers were to benefit directly from the improved access to markets, additional fishing time derived from time savings with the improved jetties and roads, and increased sales value from avoidance of fish spoilage. Unquantifiable benefits were to include sustaining the productivity of local fisheries and improved health and personal safety following measures to prevent the spread of HIV/AIDS and the provision of toilets and overnight shelters in harbor areas.

Beneficiaries of the project were to include commercial tuna-fishing vessel owners and workers, small-scale operators, subsistence fishers, and artisanal fishers engaged in producing and marketing fish and marine products. Women, who constitute the majority of fish processors, vendors, and market stallholders, were to benefit directly from the project's economic impact and from improved health and personal safety following the HIV/AIDS prevention measures and the improvement of sanitation and shelter. The project was to reach 150,000 beneficiaries in 30,000 households in the targeted coastal communities, where the incidence of poverty was generally equal to or above that of rural areas at 41%, and higher than the national poverty incidence of 37%.

- (iii) **Objectives or expected outcomes.** The CFMDP had two objectives: (a) sustain the fishing industry in each target area with investments to improve harbor facilities serving fishing vessels, passenger boats, and local fish traders and (b) implement sustainable management of the coastal fishery resources through approaches linking fishers and fish traders with the commercial fish marketing chains. This was to be done by promoting the improved management of resources, including in areas that were overfished or under the threat of overfishing, and by creating sustainable earnings and employment opportunities for coastal fishers through links with established commercial fishing centers.

The CFMDP was to be undertaken in Milne Bay, Morobe, New Ireland, and Western provinces, each of which possessed a favorable blend of conditions: supporting infrastructure, relative abundance of fishery resources, potential for increasing value from small-scale fishing, and proximity to commercial fishery centers.

- (iv) **Components and/or outputs.** The CFMDP had four main components: (a) fishery management support that sought to strengthen the capacity of provincial fishery stakeholders and/or service providers to formulate and implement plans, provide appropriate information, improve the organization of fishery stakeholders, increase research initiatives, promote co-management of marine resources, and undertake training programs on HIV/AIDS awareness and prevention; (b) extension of the longline wharf at Lae to complement the ongoing investment by the private sector and improve the efficiency and effectiveness of small-scale fishing operations; (c) social infrastructure, specifically to establish jetties and access roads to enable safe landings and access to markets and to provide safe shelters and sanitation, particularly for women; and (d) project management to supervise, monitor, and evaluate all project activities; prepare tender documents; and undertake accounting and reporting.

C. Evaluation of Design and Implementation (PCR assessment and validation)

- (i) **Relevance of design and formulation.** The CFMDP was consistent with the Asian Development Bank (ADB) country strategy and program¹ for PNG and the government's national priorities for recovery and development with three main objectives: (a) export-driven economic growth; (b) good governance; and (c) rural development, poverty reduction, and empowerment through human resource development.

Project preparatory technical assistance (TA)² was approved by ADB to develop the scope of the CFMDP to comprise capacity building in fishery management, institutional strengthening measures, and infrastructure development. This was followed by a loan fact-finding mission to reach an agreement with the government on the objectives, scope, and cost estimates for a project proposal incorporating the recommendations from the project preparatory TA. The process followed in formulating the CFMDP was adequate.

The CFMDP was relevant in providing the means for improving the livelihoods of rural coastal communities and small-scale fishers. Sustainable fishery management was introduced in the coastal communities, and the earning and employment opportunities of fishers improved and diversified. Fishery management support had positive effects on communities and provincial and local governments, generating widespread interest, including in nonparticipating provinces. However, none of the infrastructure specified in the project design was built (project completion report, paras. 7 and 24). The infrastructure and civil works components³ were cancelled because: (a) they were undertaken through other programs⁴; (b) the sites were moved to other preferred locations; and (c) the sites became unsuitable⁵. ADB agreed to the Government's request for the cancellation of these components. As a consequence, the scope of the Project was significantly reduced.

- (ii) **Project outputs.** Appendix 1 of the project completion report (PCR) summarized the project achievements based on the project framework.

Fishery management support. Six stakeholder workshops resulted in the formation of provincial fishery management authorities in New Ireland and Morobe provinces, as well as the design of resource management strategies and plans for the two provinces. This was a significant achievement in view of the pressing need to improve institutional and stakeholder capacity for sustainable fishery management. Paralegal training courses were conducted for local magistrates to help communities in New Ireland and Morobe establish and implement community-based management (CBM) programs. Revisions were proposed to the Fisheries Management Act, 1998 to allow provincial and local governments to cooperate with the National Fisheries Authority (NFA) in managing and monitoring fishery resources. However, the NFA board has yet to approve these proposed changes.

Six field surveys of small-scale fishers were conducted. The surveys established a single year's assessment of the characteristics of local fishers, the type of marine products sold, and information on the activities of buyers. The surveys also helped to establish baseline data on existing socioeconomic conditions in local communities relating to small-scale fisheries and for designing appropriate CBM programs for villages. The surveys were not repeated at the end of the CFMDP because of changing project circumstances (PCR, paras. 3, 13, 24-28). Longline wharf development and other construction of infrastructure that were intended to improve economic and marketing opportunities for small-scale

¹ ADB. 2002. *Papua New Guinea: Country Strategy and Program (2002–2004)*. Manila.

² ADB. 2000. *Technical Assistance to Papua New Guinea for Preparing the Coastal Fisheries Management and Development Project*. Manila. (TA 3604, for \$340,000, approved on 20 December.)

³ These components were the longline wharf development, and the proposed infrastructure for Voco-Point, Sanderson Bay and Daru.

⁴ For instance jetties in Western Province.

⁵ For instance the site for the Lae wharf development had increasing sedimentation problems and reduced water levels.

fishers were cancelled. Further, a downturn in the national economy depressed fisheries and suppressed demand for support services. In view of all these developments, a repeat survey was not undertaken.

The assessment of sea cucumbers in New Ireland showed drastic reduction in stocks since 1992, when the resource was already overfished. Based on this, the NFA board approved a recommendation to close the fishery for extended recovery periods and announced seasonal closure on further harvesting of sea cucumber in New Ireland Province.

Resource inventories were prepared for the three target provinces and a geographic information system was established to collect data from surveys. The integration of the NFA's fishery database and the geographic information system was completed and used as a research and management tool.

A wide range of public awareness activities took place, and information materials to promote coastal fisheries management and conservation were produced. These included radio shows, videos, comics, and posters. The NFA website⁶ was improved with links to scientific, technical, and administrative information and documents that can be downloaded. The website has become an important source of information and is accessible to NFA officers and the general public.

Awareness campaigns on fishery management issues were successfully undertaken in Morobe and New Ireland. The campaign covered HIV/AIDS awareness and the distribution of information materials such as comic books. More than 60,000 people from 150 communities participated in the CBM outreach programs. In support of the CBM program, and as an alternative income-generating initiative, six fish-aggregating devices were deployed in New Ireland. These devices failed and were not replaced under the CFMDP. In Morobe, the deployment and construction of fish-aggregating devices were undertaken under another program with similar scope. Provincial governments' shift in development priorities to agriculture provided alternative livelihood opportunities to project communities.

Longline wharf development. None of the proposed works under this component were achieved. This was because a major downturn in the fishing industry in 2004 caused by both external and internal factors such as increased fuel prices, static fish prices, and a long period of low fish availability that afflicted the industry. In addition, the proposed site was exposed to mild tidal patterns after land reclamation and construction for the new Lae yacht club. Because of this, the site became a deposit basin with worsening sedimentation problems and shallower water. In October 2006, the project steering committee (PSC) recommended cancelling longline wharf development at Lae.

Social infrastructure. None of proposed infrastructure for Voco Point, Sanderson Bay, or Daru was built. The proposed jetty with adjoining pontoons and reinforced concrete ramp at Voco Point was canceled for the same reasons as that of the longline wharf. In Sanderson Bay, the proposed jetty, terminal building, transit house, and other civil works were not built. After the 2002 national elections, the provincial government took a holistic approach in developing the town that included relocating the proposed jetty for small boats to another site. The PSC recommended cancelling all civil works in Daru because of delays in acquiring land and the adjacent underwater lease, as well as a change in government development priorities after the 2002 national elections.

Project management. The PCR did not discuss the outputs of this component. The project framework in the report and recommendation of the President to the Board (RRP) did not have a specific set of targets or indicators for it. Apparently, this was a shortcoming that was not appropriately addressed in design formulation.

⁶ Available: <http://www.fisheries.gov.pg/>

(iii) **Project cost, disbursements, borrower contribution, and conformance to schedule (as relevant to project performance).** The total project cost was estimated during appraisal at \$9.5 million. The actual project cost was only \$4.70 million, or 49% of estimated cost, largely because of the cancellation of the civil works subprojects. Of the approved loan amount of \$5.7 million equivalent, only \$3.93 million equivalent had been disbursed.

Delays in loan effectiveness, subsequent delays in finalizing the international consultancy contract, and changes in the scope of the inception report significantly slowed project implementation. However, since most of the civil works were cancelled, the delays had limited impact on the intended dates for project completion and loan closure.

(iv) **Implementation arrangements, conditions and covenants, related technical assistance, and procurement and consultant performance.** Implementation arrangements generally followed the design at appraisal. Designating the NFA as both the executing agency and project implementation unit was valid and appropriate at appraisal in view of improvements to its management and monitoring functions. However, the NFA's performance started to deteriorate in 2004. Leadership became ineffective following the suspension of the managing director, which rendered the NFA a less reliable executing agency. There were significant delays in civil infrastructure development, which was subsequently cancelled in October 2006.

Most of the loan covenants were complied with, except those directly related to infrastructure development and audited accounts. The delay in the timely submission of audited account reports was due mainly to understaffing in the PNG's auditor general's office.

National and international members of the consultant team were qualified professionals and provided timely and relevant support to the CFMDP. The consultant team reviewed and proposed changes to fishery management and monitoring and the Fisheries Management Act. The proposed changes were important in that these would allow the decentralization of functions and responsibilities to local governments, enabling them to better manage fishery resources and income-generating activities.⁷ The consultant helped the NFA negotiate with landowners and local governments to establish the actual status and availability of subproject sites. The team carried out geotechnical and other technical investigations. Local nongovernment organizations were tapped by the consultant to carry out community fishery management and development programs. Overall, the performance of consultants was *satisfactory*.

The project preparatory TA (footnote 2) approved by ADB to develop the design of the CFMDP was not assessed by the PCR. This requirement is reiterated in Appendix 2, Section H, para. 12 of Project Administration Instruction (PAI) No. 6.07A, which specifies that "project preparatory TA resulting in a loan should be evaluated in the PCR for the loan project." This requirement is also stated in the PAI 6.08 (para. 6).

(v) **Performance of the borrower and executing agency.** The Independent Evaluation Department (IED) agrees that, overall, the performance of the borrower and the NFA was *partly satisfactory*. The PSC provided guidance and supervision to the CFMDP. Membership was expanded to include the Departments of Environment and Conservation, Lands and Physical Planning, and Foreign Affairs to improve the issuing and timely approval of project documents. As noted above, the NFA's performance started to deteriorate in 2004. There were significant delays in implementing the civil infrastructure component, resulting in its cancellation. Despite setbacks, the NFA still maintained its commitment to oversee the work of the consultant as per the consultant services agreement. It provided local staff to support project activities.

⁷ The proposed changes to the Fisheries Management Act, 1998 have been pending approval by the NFA board since 2005.

(vi) **Performance of the Asian Development Bank.** The PCR rates the performance of ADB as *partly satisfactory*. The IED agrees with this rating. The scheduled midterm review was not undertaken, losing the opportunity to make midcourse changes. The CFMDP was managed by a project officer based at ADB headquarters until the officer's relocation in July 2005. Project administration was delegated to ADB's PNG Resident Mission 1 year after the officer's relocation. During that 1-year period, ADB did not monitor or administer the project intensively. However, ADB monitoring and supervision improved after delegation to the PNG Resident Mission. In March 2007, ADB endorsed the cancellation of infrastructure subprojects and recommended closing the loan.

D. Evaluation of Performance (PCR assessment and validation)

- (i) **Relevance.** At appraisal, the CFMDP was consistent with ADB's country program and strategy for PNG and with government development priorities as embodied in the medium-term development strategy, 2005–2010. However, the cancellation of the component on civil infrastructure and consequently social infrastructure significantly reduced the scope and relevance of the CFMDP. The IED concurs with the PCR's *partly relevant* rating of the CFMDP.
- (ii) **Effectiveness in achieving outcome.** The CFMDP was intended to support sustainable fishery development with broad stakeholder participation. This was partially achieved. None of the proposed infrastructure was constructed. Thus, the targets related to civil works was not achieved. The required amendment to the Fisheries Management Act that would enable the transfer of powers and responsibilities from the NFA to the provincial and local governments was not achieved. This has constrained the full implementation of the fisheries resources management strategic plans and programs developed under the Project for the two provinces. The sustainable fishery management component was envisaged to strengthen the capacity of provincial fishery stakeholders to plan and implement the sustainable management of coastal fishery resources. This was achieved only in two of the four targeted provinces, New Ireland and Morobe. In these two provinces, fishery advisory committees were established, provincial resource management strategies and action plans were developed, and CBM sites were established. These helped improved their institutional and stakeholder capacity for sustainable fishery management. Specifically, the Project involved more than 60,000 people from 150 communities in the CBM outreach program which resulted in more sustainable management of coastal fisheries in the affected communities⁸. Given the outcomes achieved within the reduced scope of the Project, IED concurs with the PCR's *less effective* rating of the CFMDP.
- (iii) **Efficiency in achieving outcome and outputs.** Costs were not excessively high for the outputs achieved. Actual total project costs were substantially lower than the appraisal estimate because the civil works component was cancelled. The CFMDP continued despite the significant reduction in scope. The IED agrees with the PCR that using local nongovernment organization contractors to carry out the awareness campaigns, including for the CBM approach, was efficient. Because of the large reduction in project scope, the PCR did not undertake an economic re-evaluation of the CFMDP. The IED finds this valid and acceptable. The PCR rates the CFMDP as *less efficient*. The IED concurs with this PCR rating.
- (iv) **Preliminary assessment of sustainability.** The CFMDP established fishery management monitoring mechanisms and improved their capacity in the provinces of New Ireland and Morobe and in the communities of Lae and Kavieng. Resource management plans were drawn, community bylaws were drafted, and workshops and courses were conducted to improve capacity. However, the provincial strategic plans and programs and the community bylaws were not fully implemented in view of the pending amendment on the Fisheries Management Act. The NFA had already completed its proposed long-term fishery development plan and budget to carry out the remaining works of the CFMDP. At project completion, this plan was not yet approved or implemented.

⁸ The ADB (2008) publication *Profiles of Progress, Papua New Guinea* described how the community-based approach helped in conserving maritime resources through the Project, pp. 42–55.

The social and investment infrastructure component envisaged under the CFMDP was not realized. Hence, there is no sustainability assessment of this component. Overall, IED concurs with the PCR's rating of CMFDP sustainability as *less likely*.

- (v) **Impact (both intended and unintended).** The goal of the CFMDP was to contribute to reducing poverty in coastal fishing communities. There was no quantitative assessment of the impact on poverty reduction. The CFMDP basically focused on activities and programs to strengthen the capacity of stakeholders for sustainable fishery management. No physical civil works were achieved. In view of this, the CFMDP had very limited impact on poverty reduction. Women benefited through their participation in training courses and their positions in community fishery management committees. Provincial and local service providers were able to improve their planning and implementation capacity through the training, workshops, and fishery management activities undertaken by the project. Communities that adopted and implemented marine conservation programs benefited from improved marine environments with increases in fish numbers and diversity, and rejuvenation of underwater marine life. Thus, the CFMDP had some positive environmental impact. Overall, the impact of the CFMDP is *moderate*.

E. Overall Assessment, Lessons, and Recommendations (validation of PCR assessment)

- (i) **Overall assessment.** IED concurs with the PCR's rating of the Project as *partly successful*. The project was able to cover only two of the four provinces targeted in the RRP. The fisheries management support provided by the CFMDP was relevant to the two provinces that implemented the component. It promoted the sustainable management of fishery resources in coastal project communities. There were no outputs for the infrastructure component since all civil works were cancelled. While the decision to cancel minimized project losses, it significantly reduced the relevance and impact of the CFMDP. The amendment to the Fisheries Management Act to delegate responsibilities to provincial and local governments has yet to be passed. This has constrained the participating provinces from fully implementing their strategic plans and programs, as well as the participating communities from executing their bylaws. Within the reduced scope, the Project was able to strengthen the capacity of fishery stakeholders to plan and manage fishery resources and to promote the conservation of marine resources.
- (ii) **Lessons.** The lessons presented in the PCR were drawn from experience in implementing the CFMDP. The lessons were mainly administrative, which indicates the need for strong and effective project management. For example, the NFA should have been provided logistical and staff support in early stages of project implementation after loan effectiveness. Also, roles and responsibilities needed to be clarified early on so that implementation delays could be avoided. For instance, the PCR pointed out the need to determine early if project administration was to be delegated to the resident mission, and for ADB to ensure the smooth handover of the project administration to the resident mission within 1 year of loan effectiveness.
- (iii) **Recommendations.** The IED agrees with the recommendations of the PCR. The proposed revisions to the Fisheries Management Act, 1998 need to be passed to enable provincial and local governments to assume the functions of fishery management and monitoring. The CBM program launched by the CFMDP should be sustained to maximize its benefits. The NFA and provincial governments should standardize the bylaws and ensure that they are enforced. If possible, the program should be extended to other coastal communities.

F. Monitoring and Evaluation Design, Implementation, and Utilization (PCR assessment and validation)

Monitoring and evaluation of the CFMDP was basically oriented towards project inputs, outputs, and achievements. There was no clear system for monitoring the benefits for poverty reduction or the status of women and the environment. Indicators on these aspects of the project framework were not systematically set up in monitoring and evaluation design.

G. Other (e.g., safeguards, including governance and anticorruption; fiduciary aspects; government assessment of the Project, as applicable) (PCR assessment and validation)

Account reports were not received within the specified period because of understaffing in the PNG's auditor general's office.

H. Ratings	PCR	IED Review	Reason for Disagreement/Comments
Relevance:	Partly Relevant	Partly Relevant	
Effectiveness in Achieving Outcome	Less Effective	Less Effective	The expected outcomes of the CFMDP were partially achieved. There were no outputs for the infrastructure component since all civil works were cancelled. The amendment of the Fisheries Management Act was not passed, which limited the implementation of strategic plans and programs of participating provinces. Only two of the four targeted provinces were covered by the CFMDP. But within the Project's reduced scope, more than 60,000 people from 150 communities were involved in the CBM outreach program. This resulted in more sustainable management of coastal fisheries in the affected communities.
Efficiency in Achieving Outcome and Outputs	Less Efficient	Less Efficient	
Preliminary Assessment of Sustainability	Less Likely	Less Likely	
Borrower and Executing Agency	Partly Satisfactory	Partly Satisfactory	
Performance of Asian Development Bank	Partly Satisfactory	Partly Satisfactory	
Impact	Not Rated	Moderate	The CFMDP strengthened the capacity of provincial service providers and stakeholders in coastal fishery management. It improved the marine environment of communities that adopted the CBM and provided benefits to women through their participation in training courses and their positions in community fishery management committees. However, there was no clear evidence of poverty reduction.
Overall Assessment:	Partly Successful	Partly Successful	
Quality of Project Completion Report		Partly Satisfactory	There is no assessment of the project preparatory TA that resulted in the loan or discussion of the outputs of the CFMDP management component.

I. Comments on PCR Quality

The PCR was internally consistent and generally followed the guidelines of PAI 6.07. The lessons were drawn from experience in implementing the CFMDP. The recommendations were sound and based on the findings of the report. However, the project preparatory TA that resulted in the loan was not assessed in the

report. Also lacking was any discussion of the outputs of the project management component. Though the expected outputs for this component were not specified in the project framework, it would have been very helpful if they have been discussed in the PCR. The decision not to undertake an economic re-evaluation of the CFMDP because of the large reduction in scope was valid and acceptable. The IED rates the PCR as *partly satisfactory*.

J. Recommendation for IED Follow Up: None

K. Data Sources for Validation

Back-to-office mission reports, PCR, RRP, minutes of the management review meeting on the project, and minutes of the Board meeting.

**REGIONAL DEPARTMENT'S RESPONSE TO THE PROJECT COMPLETION REPORT
VALIDATION REPORT**

On 14 December 2009, the Director of the Independent Evaluation Division 2, Independent Evaluation Department (IED), received the following comments from the Papua New Guinea Resident Mission (PNRM), Pacific Department.

Thanks to IED for carefully considering our comments. PNRM supports the "partly successful" rating and has no further comments.