

 Early Warning System

ADB-56023-001

Sustainable Energy Sector Development Program (formerly Clean
Energy Development Project)



Quick Facts

Countries	Papua New Guinea
Financial Institutions	Asian Development Bank (ADB)
Status	Proposed
Bank Risk Rating	C
Voting Date	2024-10-01
Borrower	Government of Papua New Guinea - Ministry of State Enterprises
Sectors	Energy, Law and Government
Investment Type(s)	Loan
Investment Amount (USD)	\$ 100.00 million
Project Cost (USD)	\$ 110.00 million



Project Description

According to the Bank's website, the Sustainable Energy Sector Development Program will support the Government of Papua New Guinea (PNG) in enhancing the adequacy and financial sustainability of low-carbon electricity supply for the country. It combines a programmatic approach of policy-based lending with a project investment component under two subprograms, one in 2024 (\$100 million) and another in 2026 (\$200 million). The policy component will support PNG's government in creating an enabling policy framework to restore the sustainability of the sector, turning around the national utility PNG Power Limited (PPL)'s performance, and increasing private sector participation to deliver clean, affordable, and reliable power. The reforms will be focused on: (i) transitioning to a low-carbon electricity supply, (ii) restoring the sector's financial sustainability, (iii) strengthening the PPL's operational capabilities, and (iv) enabling more efficient private sector participation in the sector. The project component will focus on urgent network repairs and revenue generating measures.



Investment Description

- Asian Development Bank (ADB)

The first subprogram of the SDP is estimated to cost \$110 million (Table 1). ADB will provide a regular loan of \$100 million, of which \$50 million will be in the form of budget support as the policy-based component. The remaining \$50 million will be used to finance goods, equipment, and consulting services for PPL's urgent grid repairs and upgrades. The government will finance duties and taxes of \$5 million as part of its counterpart funding (noncash contribution). PNG Power Ltd. (PPL) will also provide \$5 million in the form of in-kind contribution as its workforce implements infrastructure replacements.



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	PNG Power Limited	Investor	-



Contact Information

No contacts available at the time of disclosure.

ACCESS TO INFORMATION

You can submit an information request for project information at: <https://www.adb.org/forms/request-information-form>

ADB has a two-stage appeals process for requesters who believe that ADB has denied their request for information in violation of its Access to Information Policy. You can learn more about filing an appeal at: <https://www.adb.org/site/disclosure/appeals>

ACCOUNTABILITY MECHANISM OF ADB

The Accountability Mechanism is an independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an Asian Development Bank-financed project. If you submit a complaint to the Accountability Mechanism, they may investigate to assess whether the Asian Development Bank is following its own policies and procedures for preventing harm to people or the environment. You can learn more about the Accountability Mechanism and how to file a complaint at: <http://www.adb.org/site/accountability-mechanism/main>.



Bank Documents

- [Project Disclosure PDF](#)
- [Sustainable Energy Sector Development Program: Concept Note](#)