



Palau: ICT Sector Technical Assistance (P160504)

EAST ASIA AND PACIFIC | Palau | Digital Development Global Practice |
 Recipient Executed Activities | Investment Project Financing | FY 2018 | Seq No: 1 | ARCHIVED on 05-Apr-2019 | ISR36344 |

Implementing Agencies: Ministry of Finance, Ministry of Finance

Key Dates

Key Project Dates

Bank Approval Date:10-Apr-2018

Effectiveness Date:01-May-2018

Original Closing Date:30-Apr-2022

Revised Closing Date:30-Apr-2022

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The activity's development objective is to support the Recipient on its ongoing reforms to help create the conditions necessary to increase competition in the ICT sector.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

Components

Name

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	--	● Moderately Satisfactory
Overall Implementation Progress (IP)	--	● Moderately Satisfactory

Implementation Status and Key Decisions

The appointment of a regulatory adviser to support the Bureau of Regulation established within MPIIC is nearly complete. It will be important for Government to prioritize the appointment of the Director of the Bureau so that the regulatory adviser is supervised effectively and has a counterpart to work with on a daily basis. The next urgent action is the procurement of a governance adviser to provide support in a governance capacity, particularly on the public-sector processes involved in identifying, evaluating and implementing reforms. The governance adviser will assist Government in recruiting and managing other consultants retained under the Project, ensuring that the consultants produce high quality products responsive to the Government's needs, helping to communicate recommendations to national leadership, and working with the Government in



making decisions and implementing reforms based on the outputs of work carried out under the Project. A key focus will also include making sure that there is a strong factual foundation for advice which is submitted to Government by its consultants, assisting in analyzing options and recommendations, focusing on key benefits, risks, organizational and people impacts and requirements, especially financial, economic and social. The governance adviser will prepare and maintain a time-bound action plan, including identifying costs and resources, so that Government can implement quickly and effectively.

A second priority activity will be the procurement of a firm to provide financial, legal and technical advice for BSCC and PNCC to identify and recommend ICT sector reform options to maximize the long-term benefits of competition and new private sector investment in the sector, including recommendations for reorganizing the debts, assets, obligations and investment priorities of PNCC and BSCC. BSCC and PNCC are currently pursuing overlapping, duplicative investments. There is an urgent need to rationalize the strategic and business priorities of these two SOEs. The sector reform work and the regulatory support will need to be closely coordinated. The sector working group should be established as soon as possible to assist with Project oversight and to provide strategic guidance on implementation activities. This procurement activity will be supported by the governance adviser and has not yet commenced.

Risks

Overall Risk Rating

Risk Category	Rating at Approval	Previous Rating	Current Rating
Overall	● Moderate	--	● Moderate

Results

Project Development Objective Indicators

► Strengthened policymaking for ICT sector (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	3.00
Date	01-Dec-2017	--	01-Feb-2019	30-Jun-2021

► Strengthened regulatory capacity for ICT sector (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	3.00
Date	01-Dec-2017	--	01-Feb-2019	30-Jun-2021



► Impact on telecom sector of World Bank Technical Assistance (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	1.00	3.00
Date	01-Dec-2017	--	01-Feb-2019	30-Jun-2021

Overall Comments

The team has provided technical support to MPIIC describing the spectrum options for mobile broadband in a competitive market entitled “Mobile Spectrum options for LTE and beyond”. This analysis, based on global best practices, includes information regarding the sub 1 GHz spectrum for coverage, mid-band spectrum for capacity and timely planning of bands for future 5G technology. In mid 2018 an updated “Baseline assessment of existing fixed and mobile networks/ infrastructure, business and future needs” paper was completed and shared with the MPIIC. Ad hoc support has also been provided to PNCC focusing on mobile and fixed broadband, including options to improve its network resilience and options for implementing Fiber to the Home (FTTH). Technical assistance has also been provided helping to address serious Internet performance problems at the Capital and other business broadband connection, which started after the recent migration to the fiber optic cable. On policy related issues, the team has also advice government on actions to address "Netsafe" related concerns and managing risks associated with harmful communications.

Intermediate Results Indicators

► Options report for reorganizing PNCC and BSCC delivered (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	N	--	N	Y
Date	01-Dec-2017	--	01-Feb-2019	30-Jun-2021

► ICT infrastructure needs analyzed and an investment plan prepared (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	N	--	N	Y
Date	01-Dec-2017	--	01-Feb-2019	30-Jun-2021



▶ Report on options for improving regulatory outcomes delivered (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	N	--	N	Y
Date	01-Dec-2017	--	01-Feb-2019	30-Jun-2021

▶ Interim GM recruited internationally to lead PNCC (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	N	--	N	Y
Date	01-Dec-2017	--	01-Feb-2019	30-Jun-2021

Overall Comments

PNCC has indicated it no longer wishes to use Project funds to recruit a new general manager (although the position remains vacant and no efforts are being undertaken to fill it). The team has discussed this decision with Government and agreed to maintain a watching brief. It may be that PNCC changes its mind as it becomes more comfortable with the reform process. Otherwise the corresponding indicator may be deleted and project funds reprioritized accordingly.

Data on Financial Performance

Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	Disbursed
P160504	TF-A7208	Effective	USD	0.60	0.60	0.00	0.00	0.60	0%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P160504	TF-A7208	Effective	10-Apr-2018	01-May-2018	01-May-2018	30-Apr-2022	30-Apr-2022

Restructuring History



There has been no restructuring to date.

Related Project(s)

There are no related projects.
