



INVITATION FOR EXPRESSION OF INTEREST

(CONSULTING SERVICES)

Papua New Guinea

Issues and Developments of State-Owned Enterprises (SOEs) and Policy Strategies for their Improvement in Papua New Guinea

Reforming State-Owned Enterprises (SOEs) has become a critical development agenda in many developing countries. A key motive behind the reforms is to improve the delivery of essential services such as water, electricity and telecommunication services provided by SOEs in a monopolistic environment. In Papua New Guinea (PNG), SOEs have experienced several policy shifts since independence in 1975. Essential services were initially provided by entities structured as Government Departments which later became Corporations and then incorporated companies under the Companies Act. At this point in time, most SOEs operate under the Companies Act and are overseen by the Independent Public Business Corporation (IPBC) which is a shareholder trustee on behalf of the Government and people of PNG. A debate and discussion around the performance of SOEs and their non-performance in the effective delivery of critical services required for development of PNG is ongoing.

The National Research Institute (NRI), Papua New Guinea's leading think-tank on public policy and development-related issues, has initiated a Research Program that will contribute to the discussions and eventually sound policy recommendations for improvements in SOEs performance. The work will be carried out over three (3) Phases. Phase 1 will review the historical developments of SOEs and outline key policy and administrative challenges and discuss the question how past policy shifts have addressed these issues. Phase 2 will involve further in-depth analysis of the major issues being confronted by SOEs and consider various strategies for the development of SOEs. Based on the broader policy directions provided in phases 1 and 2, Phase 3 will look at a specific sector or SOE, for example electricity, and analytically contribute to the thinking and discussions on how performance in this sector could be improved.

Phase 1 and Phase 2 studies will be undertaken concurrently. The overall objectives are as follow;

- To review and document historical developments of SOEs including their operational structure, service performances, and key legislative and administrative changes that have evolved over time;
- To trace policy and administrative challenges that have impacted growth and service delivery of SOEs over time, and outline key policy shifts and reforms that were initiated to address these issues;
- To analyse salient issues that have confronted SOEs and impacted their development and performances; and
- To identify and articulate policy strategies to improve the development of SOEs.

In this regard, the NRI invites consultancy firms or individuals to indicate their interest in providing consulting services for the study. Interested consultants must provide specific information that demonstrates that they are fully qualified to perform the services (description of similar assignments

with supportive references, experiences in similar conditions/ countries, possession of appropriate skills, etc.).

The selected consultant(s) will work simultaneously on Phase 1 and Phase 2. The scope of the assignment will cover:

Phase 1:

- Documentation of the development of SOEs since Independence, highlighting the establishment of the state institutions, the legislative and administrative arrangements;
- Analysis of issues and challenges that have impacted on the performance of SOEs in the past, and the policy shifts and reforms that have been introduced.

Phase 2:

- Identification and discussion on topical issues that are being faced at this period of time, which are featured in the current debate on SOEs in the country;
- Policy strategies to address these issues and support the efforts to improving performances of SOEs.

Interested individuals and/or institutions with relevant experience in consulting and research in the area of SOEs are encouraged to submit their bid to undertake one or both Phases of the consultancy. Further information including Terms of Reference for the study can be obtained by contacting Ronald Sofe on email: rsofe@nri.org.pg or ronsofe@gmail.com.

Expression of interest must be delivered to the address below by **6th March 2015** through email.

Attention to;

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NRI- hosting the policy discussions that will shape Papua New Guinea's future development!