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GOVT TO IMPROVE DETERIORATING INFRASTRUCTURE

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Prime Minister Peter O'Neill said his government is serious about addressing the deteriorating state of basic infrastructure like roads and bridges throughout the country.

Mr O'Neill said Cabinet has approved the terms and conditions of two Asian Development Bank loans totaling US\$90 million for the Bridge Replacement for Improved Road Access Project (BRIRAP).

"Cabinet has given approval for a State team to begin talks with ADB representatives on the US\$ 40 million loan from the ADB's Ordinary Capital Resources and the US\$50 million concessional loan from ADB's Asian Development Fund Resources," he said.

Mr O'Neill said the National Executive Council recently met and approved US\$10 Million (approximately 25.8 million kina) as the PNG Government's counterpart component.

"The departments of Treasury and National Planning have been directed to allocate funding for this project in the 2012 and future budgets totaling US\$10 million until the project is completed.

"NEC has also approved for the State team to negotiate the Framework Financing Agreement that provides financing of US\$90 million for the first phase with ADB's additional financing policy from the Bank of PNG over a 10 year period," he added.

The program will cover all bridges throughout the country, which is above the 700 bridges and 16 priority roads.

The department of works has been directed to do a registry of all bridges to be financed under this arrangement.

Approved for release

HON. PETER O'NEILL, CMG MP
Prime Minister