



BUILDING PNG - SPA 02 OF MTDP 4

OBJECTIVE: Building country-wide critical enabling infrastructure for socio-economic connectivity

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Session Overview

- ❖ A bit of Background
- ❖ Challenges of Infrastructure Development in PNG
- ❖ What are the Opportunities of Infrastructure Projects in PNG?
- ❖ What are Key features of Connect PNG to look out for?
- ❖ Final remarks

Background

The Connect PNG Program is focused on infrastructure, which is a critical enabler for economic growth. To achieve economies of scale, the Government plans to connect the country by providing good quality transport infrastructure, reliable and affordable energy, access to better telecommunication networks, the provision of clean and safe drinking water, sanitation services, urban growth centers and affordable and good national housing.

The Government's strategic economic investments, such as industrial hubs, growth centers, petroleum and mining projects, special economic zones, including the provision of goods and services at the Provincial and District levels, are dependent on the quality and accessibility of basic infrastructure in the country.

The Department of Works and Highways, Department of Transport, National Energy Authority, Water PNG Limited, Telikom PNG Limited, DataCo Limited, Public Private Partnership Centre, National Housing Corporation, Provinces and Districts are entrusted to collaborate with stakeholders to take lead and accomplish the targets and indicators for connectivity. A projected investment of K17.8 billion is needed to deliver these infrastructure priorities by 2027. Priority investments will be focused on the 8 DIPs under SPA 2

Strategic Priority Area 2 (SPA2) of MTDP 4

SPA 2 - Connect PNG Infrastructure is a flagship long-term infrastructure program that will transform PNG's socio-economic landscape by improving country-wide connectivity through the development of critical enabling infrastructure. It focuses on expanding transport infrastructure, rolling out energy grids and ICT networks, installing water and sanitation systems, and building affordable housing.

“MTDP 4”

The 8 Connect PNG Deliberate Intervention Programs (DIPs) for SPA 2

DIP

• 2.1 - Road Transport

DIP

• 2.2 - Water/Sea Transport

DIP

• 2.3 - Air Transport

DIP

• 2.4 - Telecommunications & ICT Connectivity

DIP

• 2.5 - Electricity Roll-Out

DIP

• 2.6 - Water, Sanitation & Hygiene

DIP

• 2.7 - Housing

DIP

• 2.8 - Urban Towns & District Growth Areas

Challenges of Infrastructure Development in PNG

Each of the lead Government Agencies tasked to accomplish and deliver the 8 DIPs set targets by 2027 face critical challenges which are not limited to the following list

- 1. Funding and Budget Constraints**
- 2. Lack of Skilled Labour and Capacity**
- 3. Geographical and Logistical Challenges**
- 4. Climate and Environmental Factors**
- 5. Governance and Institutional Issues**
- 6. Maintenance and Sustainability**
- 7. Land Acquisition and Legal Issues**
- 8. Public Awareness, Socioeconomic & Cultural Factors**
- 9. Technological & Digital Literacy Challenges**
- 10. Policy and Strategic Alignment**
- 11. Safety and Security (including Cyber Security) Concerns**
- 12. Aging & Inadequate Infrastructure**
- 13. Industry Issues**
- 14. High Cost of Goods/Services and Affordability**
- 15. Political & Institutional Challenges**
- 16. Weak Urban Planning & Land Use Management**

Opportunities of Infrastructure Projects

1. Transport Infrastructure

Road Networks
& Highways

Airports &
Airstrips

Seaports &
Shipping

Opportunities of Infrastructure Projects

2. Energy Infrastructure

Renewable Energy

Hydroelectric Projects

Off-grid Energy
Solutions

Gas & Oil
Infrastructure

Opportunities of Infrastructure Projects

3. Water Supply & Sanitation

Water Distribution
Networks

Waste water
management &
Sanitation

Rainwater Harvesting
Systems

Opportunities of Infrastructure Projects

4. Telecommunication & ICT

Broadband &
Mobile Connectivity

Smart Towns and
ICT infrastructure

Data Centres &
Cloud Services

Opportunities of Infrastructure Projects

5. Urban Development & Housing

Affordable Housing
Projects

Urban Regeneration
and Infrastructure
Upgrades

Social Infrastructure
(Schools, Hospitals,
Sporting Facilities etc.)

Opportunities of Infrastructure Projects

6. Agriculture & Rural Development

Rural Roads & Connectivity

Irrigation Systems & Agricultural Support

Opportunities of Infrastructure Projects

7. Tourism Infrastructure

Tourism
Development
Projects

Eco-Tourism
Infrastructure

Opportunities of Infrastructure Projects

8. Health Care Infrastructure

Health Facilities
& Medical
Equipment

Telemedicine &
Health IT
Systems

Opportunities of Infrastructure Projects

9. Climate Change Resilience & Disaster Risk Management

Disaster Resilience
Infrastructure

Coastal Protection
& Flood
Management

Opportunities of Infrastructure Projects

10. Public-Private Partnerships & Investment Climate

PPPs for
Infrastructure
Projects

Special
Economic
Zones (SEZs)

Key features of Connect PNG to look out for.

Key features include improving roads, airports, seaports, and logistics systems; leveraging public-private partnerships; ensuring climate resilience and sustainability; and boosting economic integration and job creation. These efforts aim to reduce isolation, improve trade, and promote inclusive development across PNG.

- ▶ 1. Expansion and Upgrading of Transport Infrastructure
- ▶ 2. Air and Seaport Development
- ▶ 3. Transport Sector Reform and Modernization
- ▶ 4. Public-Private Partnerships (PPPs)
- ▶ 5. Integrated Transport Systems
- ▶ 6. Economic Growth and Job Creation
- ▶ 7. Climate Resilience and Environmental Sustainability
- ▶ 8. Improved Regional Integration
- ▶ 9. Support for the Tourism Industry
- ▶ 10. Upgrading & Development of Vertical Infrastructure including Housing.

Final Remarks

PNG's infrastructure sector offers a wide range of opportunities across various sectors, including transport, energy, telecommunications, urban development, and agriculture. While challenges like financing, land tenure, and governance remain, the government's focus on improving infrastructure as a driver of economic growth provides a favourable environment for investment. By leveraging public-private partnerships, embracing innovative solutions, and prioritizing sustainable development, PNG can overcome its infrastructure challenges and unlock significant economic potential.

Finally maybe mid next year after 2 & a half years (halfway mark) the set KPIs of SPA2 of MTDP4 could be reviewed. Compare the Projected KPIs against the progressive outcomes to see if all 8 DIPs are on target.

Thank you and God Bless