

PAPUA NEW GUINEA RESIDENT MISSION

15 January 2020

Hon. Ian Ling-Stuckey, CMG MP
Minister for Treasury
Officer of the Minister
10th Floor, The Treasury
P.O. Box 542
WAIGANI,
National Capital District
Papua New Guinea

Dear Hon. Minister Ling-Stuckey:

Subject: Loan No. 3408-PNG: Highlands Region Road Improvement Investment Program – Project 3 - Amendment to Loan Agreement

1. We refer to the Loan Agreement (Ordinary Operations) dated 6 October 2016 (“Loan Agreement”) between the Independent State of Papua New Guinea (“Borrower”) and Asian Development Bank (“ADB”) for the Highlands Region Road Improvement Investment Program – Project 3 (“Project”). All capitalized terms used but not defined herein shall have the meaning given thereto in the Loan Agreement, unless the context requires otherwise.

2. Following a request from the Borrower dated 5 June 2019, ADB approved on 4 December 2019 changes to the Project in connection with disbursement percentages and reallocation of Loan proceeds. To give effect to the changes, ADB proposes that the Loan Agreement be amended as follows:

The Table in the Attachment to Schedule 3 of the Loan Agreement shall be deleted and substituted with the Table set out in the attachment to this letter agreement.

3. Save and except to the extent set out above and in the attachment hereto, the Loan Agreement remains unchanged.

4. Pursuant to ADB’s Access to Information Policy (2018) (“AIP”), the amendment to the Loan Agreement will be posted on ADB’s website within 2 weeks from the date that the amendment becomes effective, after removing any information that falls within the AIP exceptions as specified by the Borrower.

5. Please indicate the Borrower’s concurrence to the amendment set out in paragraph 2 of this letter agreement and to the terms of this letter agreement by countersigning each of the two originals of this letter agreement in the space indicated below. Please retain one

Asian Development Bank
PNG Resident Mission
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Corner of Musgrave Street & Champion Parade
PO Box 1992
Port Moresby, National Capital District
PAPUA NEW GUINEA
Tel: +675 3210400, Fax +675 3210407
www.adb.org/papuanewguinea

signed original of this letter agreement for your records and return the other to ADB. The proposed amendment shall take effect on the date of receipt by ADB of a signed original of this letter agreement.

Yours sincerely,




David Hill
Country Director

- A. Accepted and agreed.
- B. Confirmed that the amendment to the Loan Agreement do not contain information falling within the AIP exceptions.

For and on behalf of
INDEPENDENT STATE OF PAPUA NEW GUINEA

Name: 

Designation: 

Date: 31.1.20

cc: Mr. Dairi Vele, Secretary, Department of Treasury
Mr. Kony Samuel, Secretary, Department of National Planning and Monitoring
Mr. David Wereh, Secretary, Department of Works
Mr. Matthew Windi, Project Director, Department of Works

ATTACHMENT

TABLE

ALLOCATION AND WITHDRAWAL OF LOAN PROCEEDS (Highlands Region Road Improvement Investment Program – Project 3)				
Number	Item	Total Amount Allocated for ADB Financing (\$)		Basis for Withdrawal from the Loan Account
		Category	Subcategory	
1	Works	65,165,097		
1A	Gewa-Gembogl		19,575,492	53% of total expenditure claimed
1B	Nipa-Munihu		17,141,000	53% of total expenditure claimed
1C	Pangia-Wiru Loop		14,344,000	53% of total expenditure claimed
1D	Henganofi-Nupuru		14,104,605	53% of total expenditure claimed
2	Consulting Services	2,681,903		36% of total expenditure claimed*
3	Financing Charges	1,563,000		100% of amounts due
4	Unallocated	1,000,000		
	Total	70,410,000		

* Exclusive of taxes and duties imposed within the territory of the Borrower.