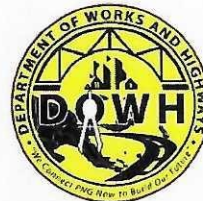




DEPARTMENT OF WORKS & HIGHWAYS

MINISTRY FOR WORKS & HIGHWAYS



OFFICE OF THE MINISTER

P O Box 1108
BOROKO
National Capital District
Papua New Guinea

Telephone: (675) 324 1121
Facsimile: (675) 324 1192
Website: www.works.gov.pg

Date: 28th October, 2025
File: CPNG Payments

MEDIA STATEMENT

SUBJECT: CLARIFICATION ON SPECULATIONS MADE AGAINST PAYMENTS MADE TO VARIOUS CONTRACTORS BY DEPARTMENT OF WORKS & HIGHWAYS UNDER THE CONNECT PNG PROGRAM.

The Ministry for Works and Highways categorically refutes recent misleading and unfounded claims circulated on social media alleging irregularities involving the Minister for Works and Highways and the Secretary for Works and Highways in relation to payments made under the Connect PNG Program.

All payments processed under the Connect PNG Economic Road Infrastructure Development Program are executed in full compliance with the Public Finance Management Act (PFMA 1995, as amended) and through the Integrated.

Financial Management System (IFMS) the national digital platform for transparent, auditable, and accountable management of public funds.

1. Legal and Institutional Compliance

Every payment processed by the Department of Works and Highways (DoWH) undergoes multi-tiered verification and approval, including:

- Certification by project engineers and supervisors for works completed;
- Endorsement by Internal Audit, Accounts, and Technical Divisions;
- Vetting under the National Procurement Act 2018 by the National Procurement Commission (NPC); and
- Final approval and release through IFMS under the Department of Finance's oversight.

Under this system, no single person not even the Minister or Secretary can unilaterally approve or authorize payments. All transactions are traceable within the IFMS, consistent with Sections 4, 5, and 15 of the PFMA, ensuring accountability and transparency.

2. Integrity of the Connect PNG Program

Connect PNG is the flagship national infrastructure program of the Marape-Rosso Government, aimed at connecting provinces, districts, and economic corridors.

"We Connect PNG Now to Build Our Future"



across Papua New Guinea.

All contractor payments are made only for certified, verified, and completed works, following stringent quality and financial assurance procedures.

Each project payment follows the sequence:

- Contractor submits progress claim for completed milestones;
- Verification and site certification by supervising engineers;
- Internal audit and accounts division clearance;
- Approval through the IFMS payment authorization process.

These controls ensure payments are lawful, justified, and aligned with government fiscal policy and accountability standards.

3. Clarification on Helicopter Hire and Project Logistics

There have been further misconceptions regarding the hire of helicopters under Connect PNG projects. To clarify, the Department hires aircraft from Tribal Aviation, Heli Niugini, Heli-Solutions, Heli-Fix, Lama Choppers, and Pacific Helicopters, etc., depending on operational needs for each project site.

These hires are not exclusive to any single operator but are made based on accessibility, safety, and cost-effectiveness to support project logistics — especially in extremely remote areas such as Kotidanga (Gulf Province), Kanabea (Gulf), Karamui (Chimbu), and Simbai (Madang Province), where no road or sea access exists.

Fuel, cement, steel, and heavy equipment parts must be airlifted by chopper to sustain on-site works and workforce operations in these isolated locations. Without such logistical support, construction progress would be impossible.

Let it be stated clearly:

“If one has never built a road in a remote and inaccessible area where there is no fuel or material supply access, one should refrain from making uninformed comments on social media.”

These helicopter hires are project-driven operational necessities, duly procured and paid for through lawful processes under the PFMA and IFMS systems just like any other approved logistical expenditure under Connect PNG Program.

4. Clarification on Specific Allegations at NCD Roads and Mr John Kaio.

The payment to Garret Construction Ltd was properly processed as part of the Port Moresby City Roads Development Project, implemented under the Connect PNG framework in partnership with the NCD Management. We deny any impropriety or double payment in that regard as all claim payments were certified by the NCDC Management and confirmed that there were no double payments for the invoices paid.

This is part of the government's broader urban infrastructure initiative, which includes similar projects in Lae, Mt Hagen, Madang, and Kokopo cities. In fact, my department just secured funding through Asian Development Bank (ADB) loan financing to improve the Bus Transit Systems (BTS) for the public transport system in Port Moresby and secured loan



from BSP to improve key arterial roads under the City Roads Upgrading Program including Port Moresby.

As for Mr. John Kaio, records confirm that he has not been a public servant since 2011. However, he serves as a policy and engineering consultant with over 16 years of experience supporting the transport sector. He has contributed significantly to national reforms including:

- Public-Private Partnership frameworks,
- Design & Build; Construct Lump Sum Contract models,
- National Road Standards and Specifications, and
- Connect PNG program design and delivery.

His technical advisory role has been fully transparent and performance-based, consistent with government policy frameworks. He is just one of our Project Management Consultants (PMC) engaged to project manage major Design and Build contracts under Connect PNG Program across the country. We have publicly tendered through NPC to engage competent PMCs to provide project management roles and procurement is in progress at this time.

5. Addressing Misleading Information

The Ministry acknowledges the value of public scrutiny but condemns the spread of misleading and defamatory information that undermines confidence in lawful government processes. The matter has been formally referred to the Cybercrime Directorate of the Royal Papua New Guinea Constabulary for investigation under the Cybercrime Act 2016.

6. Commitment to Transparency and Accountability

The Minister and Secretary reaffirm their commitment to transparency, integrity, and adherence to all legal and financial obligations. The Department continues to cooperate fully with the Government-sanctioned audit on the Connect PNG Program and welcomes any independent review by mandated oversight agencies.

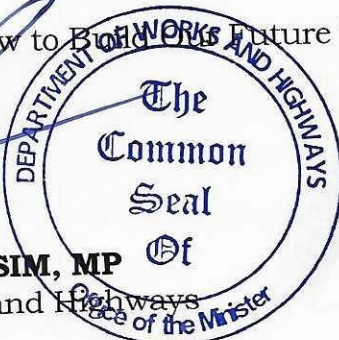
The Ministry remains focused on delivering tangible development outcomes, connecting communities, opening up markets, and enabling national economic growth in full alignment with the Connect PNG Act 2021, the National Road Network Strategy, and the Marape-Rosso Government's Vision 2050.

The above information is provided for clarity of the reports on the social media implicating my Secretary for Works & Highways, myself as the Minister responsible for Works & Highways and one of our Project Management Consultant John Kaio.

We Connect PNG Now to Build Our Future Together.

HON. SOLAN MIRISIM, MP

Minister for Works and Highways



"We Connect PNG Now to Build Our Future"

