



**MINISTRY OF WORKS & HIGHWAYS  
OFFICE OF THE MINISTER**



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**MEDIA RELEASE**

**MINISTER FOR WORKS AND HIGHWAYS PUTS FORWARDS FACTS TO CORRECT THE ALLEGED FABRICATED BLOWN OUT PAYMENTS ON CONNECT- PNG PROGRAMS BY PETER O'NEILL**

Minister for Works and Highways Hon. Solan Mirisim provides facts on Connect PNG contract values and payments to dispel Peter O'Neill's smear Campaign to discredit Marape/Rosso Government's flagship Connect PNG Program.

In further response to the ongoing disputes by the former Prime Minister Peter O'Neil's unsubstantiated claims of huge contracts and payments been issued to few contractors and consultants under the CONNECT-PNG Program, Minister for Works and Highways Hon. Solan Mirisim provides actual contract values and payments lists.

He claims the figures and numbers provided by Peter O'Neill are delusory and does not match the actual contract values and payments records from the Government's IFMS system and contract registers of the Department of Works and Highways. The contract Values and payments are issued and managed through the established systems and the same figures shared by all government agencies.

You don't have to go anyway to fabricate contract values and the progressive payments made to the contractors allegedly named. The Project Procuring and Awarding Authorities is NPC and they have records of all contracts awarded and similarly the Integrated Financial System (IFMS) hold records of every transactions and payments made against contracts and the budgets.

Connect PNG in 2023 operated within the appropriated budget limits of K450million which is K750million short of meeting the legislated 5.6% annual allocation ceiling. The Former Prime Minister's claim of blown out payments in the last 8 months completely exceeds the annual appropriation and does not prove anything wrong. Below are the real payments made to the contractors named in accordance to their progressive bills against their contract values within the same 8 months period claimed by Peter O'Neill:

### **1. Ipwenz Construction Ltd**

Total Combined Active Contracts ongoing now K270million for NIPA AMBUA and Teleformin Tabubil Highway Roads Construction in contrast to the alleged value of K3.5Billion by Peter O'Neill. In the last 8 months, only K47million were paid and not Peter O'Neill's alleged claim of K740million is totally misleading.

### **2. Oceanic Construction Ltd**

There is a total ongoing Contract value of K270million for upgrading to seal standard works on Mendi NIPA section of the Highlands Highway against the alleged K1.3billion contract by Peter O'Neil. Total Paid in the last 8 months is K60million and not K450million as allegedly claimed by Peter O'Neill.

### **3. Amaku and Sons Construction Ltd**

Total ongoing contract is K60million for emergency repair and gravelling works on the Menyama to Aseki road in Morobe Province in contrast to the alleged contract values of K124million by Peter O'Neil. Total payments made in 8 months period in 2023 is only K30million in complete contrast to Peter O'Neill alleged payment of K78million.

### **5. Civpac Civil Contractors Pacific Limited**

Total Value of Active Contracts ongoing is K149million for Kagua Erave and Rindita and KUARE road sealing works in contrast to Peter O'Neill's alleged value of K261million. Total payments in the last 8 months of 2023 is K47million. O'Neill is good at making wild accusation. Where did he get the figure of K70million alleged been paid?

## 5.ALBE LTD

Total various Project Management and supervisor Consultancy K15million in contrast to Peter O'Neills wild accusation of K50million. Total payments in the last 8 months was K8million and not K29million as alleged by Peter O'Neil

In total, the ongoing contract values on records for the 4 contractors is only K764 million and not K3.897Billion as claimed by Peter O'Neill. Also, the total actual payments in the last 8months is only K199million and not K1.3billion as claimed by Peter O'Neill.

Let me correct the former Prime Minister that the total payment of K199million is progressive payments based on the actual valuation of works satisfactorily accomplished by the contractors and there is advance or false payments as claimed. These total payments are only a portion of the K450million allocation of the 2023 budget and does not make sense to pay a blown out fake amount of K1.3billion as falsely claimed by Peter O'Neills only to suit his ambitious interest.

Furthermore that total contract value of the 4 named contractors at K764million equals to only a 19% of the total K4billion worth of contracts that running under Connect PNG Program in all parts of the country.The alleged claim by Peter O'Neill that more than K3.5billion worth of works given to the selected 4 named local contractors from one single province as the top 5 contractors is a total lie and disinformation to deliberately discredit Marape/Rosso Government's Flagship CONNECT-PNG Program. It is important to remember that a major component of the funding come from foreign donors, and the contracts are procured under the established procedures set by the International Financial Institutions.

This is a smear campaign to discredit the Government's performance for political convenience but let me remind the former Prime Minister such deliberate malicious lies do not convince anyone to believe you. Only the confused and misleads will believe you. **Truth is mighty and will prevail.**

The former Prime Minister forgets that these are local Papua New Guinean companies have been around during your time in Government but have been always over looked whilst you give preference to foreign companies.

CONNECT- PNG is about local capacity building and our government is giving every Papua New Guinean company's equal opportunity to participate and contribute to the nation building infrastructure. You should be a proud man of your own local Southern Highlanders are able breakthrough in the construction industry that were used to be dominated by foreign companies.

The named 4 contractors a part of 300 other contractors working around the country on various contracts scope and values fitting to their experience and capabilities on multiyear long-term contracts on the CONNECT-PNG Program that is employing more than 30,000 local employment per year.

To use fake figures and discredit our local contractors is an insult. The former Prime Minister must apologize to those local Papua New Guinea contractors. Prioritizing Papua New Guineans interest first should be the responsibility of any government. Sadly, the former Prime Ministers keeps underestimating locals and accusing them of corrupt and fraudulent practices.

He easily forgets that his Ialibu Pangia Road upgrading and Sealing that remains as one of the high standard roads even to this day was done by one of the accused local contractors CIVIPAC some 17 years ago.

I ask both the MP for Ialibu Pangia Hon.Peter O'Neill and Governor for ESP Hon. Allan Bird that Connect PNG is not a family business. It is a 20 year development agenda of government that is implemented under whole of a government approach structure with various state agencies playing their respective roles to make the dream of 100% Road Connectivity come true by 2040. The results are already there for you to see and believe.

I ask that you two leaders stop making your wild allegations about CONNECT-PNG as an excuse to pursue your ambitious interests in the coming VONC. Do not play politics with a policy that is truly reaching the unreached and touching the untouched. This is not a time for petty politics and childish accusations, but rather a time to work together for the good of the nation.

**HON. SOLAN MIRISIM, MP**

Minister for Works and Highways

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