

 Early Warning System

ADB-58040-001

Urban Water Supply and Sanitation Security and Resilience  
Improvement Project



### Quick Facts

<b>Countries</b>	Papua New Guinea
<b>Specific Location</b>	Port Moresby; Vanimo
<b>Financial Institutions</b>	Asian Development Bank (ADB)
<b>Status</b>	Approved
<b>Bank Risk Rating</b>	U
<b>Voting Date</b>	2026-02-24
<b>Borrower</b>	Government of Papua New Guinea - Kumul Consolidated Holdings
<b>Sectors</b>	Infrastructure, Technical Cooperation, Water and Sanitation
<b>Investment Type(s)</b>	Grant, Loan
<b>Loan Amount (USD)</b>	\$ 60.90 million
<b>Grant Amount (USD)</b>	\$ 1.50 million
<b>Project Cost (USD)</b>	\$ 62.40 million



### Project Description

According to the Bank's website, the proposed PNG Urban Water Supply and Sanitation Security and Resilience Investment Program (PNG-UWSSSRIP) will support Water PNG to finance priority short- to medium- term capital investments and associated capacity building activities, needed to expand improved water supply and sanitation services in PNG in line with the utility's corporate plans, and the Government of PNG's sector development objectives. The phased implementation and proposed investment packages under the multi-tranche financing facility (MFF) are aligned with capital works program prioritized under the 20-year Port Moresby Water and Sanitation Master Plan and supporting activities to be completed by Water PNG by 2040.

The indicative program is envisioned to be implemented over a 10-year period with 3 tranches funding systematically linked components and a repeat of similar town water supply projects in different geographical areas. Tranche 1 will include the 5 components described below. Tranches 2 and 3 will fund the programmed infrastructure components under the Port Moresby Water and Sanitation Masterplan and priority provincial towns identified in Water PNG's corporate and investment plan.

Papua New Guinea (PNG) has a rapidly growing population of about 12 million, of which 13% live in urban areas. By 2030, 17% of the population is expected to reside in PNG's cities and towns. Unplanned growth in the capital city of Port Moresby, which accounts for almost a third of PNG's urban population, and in provincial town centers puts pressure on utility service providers in meeting increasing demands for basic urban infrastructure and services.

The country's water supply and sanitation access indicators rank lowest among the 14 Pacific developing member countries of the Asian Development Bank (ADB). Access to piped water supply in urban areas decreased from 61% in 2015 to 53% in 2022 since infrastructure investments did not keep pace with the 4% annual urban population growth rate over the same period. Safely managed sanitation in urban areas is at 28%. Poor containment and treatment of fecal waste and domestic wastewater, exacerbated by the impacts of climate change, also undermine inclusive growth and hinder the potential creation of prosperous and livable cities. The lack of access to water, sanitation, and hygiene (WASH) facilities in PNG, particularly in schools, disproportionately affects women and girls. With only 51% of schools providing access to water supply and 28% to sanitation, the situation disproportionately impacts adolescent girls, leading to absenteeism because of inadequate facilities for menstrual hygiene management and limited promotion of handwashing with soap.

PNG is also exposed to a variety of climate change-related impacts that affect the water security and resilience of the country, which include (i) changes to hydrological processes resulting in extreme rainfall and increased risk of flood and drought events, (ii) increases in the intensity and frequency of days of extreme heat because of temperature changes, and (iii) sea-level rise and increasing coastal inundation and potential for saline intrusion into coastal water resources.



### Investment Description

- Asian Development Bank (ADB)

Loan (Ordinary capital resources): US\$ 30.00 million

Loan (Concessional ordinary capital resources lending): US\$ 30.90 million

Grant (Technical Assistance Special Fund): US\$ 1.50 million



## Private Actors Description

*Kumul Consolidated Holdings (KCH)* is the entity which holds in trust, the Government's non-petroleum and non-mining assets. KCH (formerly known as IPBC) was established in July 2002 under the Independent Public Business Corporation of Papua New Guinea Act 2002 (the "IPBC Act"). KCH, is mandated to hold all Government-owned commercial assets in trust and to manage those assets to improve commercial performance and underpin economic development. KCH is not responsible for the Government's mineral, oil and gas assets.



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## Urban Water Supply and Sanitation Security and Resilience Improvement Project

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Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Kumul Consolidated Holdings	Undisclosed	-

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### Contact Information

*No contacts available at the time of disclosure*

### ACCESS TO INFORMATION

You can submit an information request for project information at: <https://www.adb.org/forms/request-information-form>

ADB has a two-stage appeals process for requesters who believe that ADB has denied their request for information in violation of its Access to Information Policy. You can learn more about filing an appeal at: <https://www.adb.org/site/disclosure/appeals>

### ACCOUNTABILITY MECHANISM OF ADB

The Accountability Mechanism is an independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an Asian Development Bank-financed project. If you submit a complaint to the Accountability Mechanism, they may investigate to assess whether the Asian Development Bank is following its own policies and procedures for preventing harm to people or the environment. You can learn more about the Accountability Mechanism and how to file a complaint at: <http://www.adb.org/site/accountability-mechanism/main>.



### Bank Documents

- [Port Moresby Water Supply and Sanitation System \(Outputs 1 and 2\) Initial Environmental Examination](#)
- [Port Moresby Water Supply and Sanitation System \(Outputs 1 and 2\) Resettlement Plan](#)
- [Vanimo Water Supply and Sanitation Subproject \(Outputs 1A and 2A\) Resettlement Plan](#)
- [Vanimo Water Supply and Sanitation System \(Outputs 1A and 2A\) Initial Environmental Examination](#)

### Media

- [ADB Approves \\$60.9 Million to Strengthen Urban Water, Sanitation in Papua New Guinea](#)