

# ADB to Support High-Speed Internet for Palau

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The project will deliver affordable, high quality internet connectivity, improving access to services

KOROR, PALAU – The Asian Development Bank (ADB) has approved two loans amounting to \$25 million for a submarine cable project which will support the development of a fiber-optic cable system linking Palau to the Internet cable hub in Guam.

“The North Pacific Regional Connectivity Investment Project will deliver affordable, accessible internet infrastructure allowing for improved delivery of government, health, and education services,” said Sibesh Bhattacharya, project team leader and Senior ICT Infrastructure Specialist in ADB’s Pacific Department. “It will create economic benefits by connecting the North Pacific to larger markets.”

Currently Palau relies entirely on satellite links for Internet connectivity. The high cost and limited bandwidth restrict Internet penetration. In Palau, Internet is accessed by only 25% of the population, while 90% have access to mobile phones.

In 2014, Palau and the Federated States of Micronesia (FSM) jointly initiated coordinated actions to improve Internet connectivity. This ADB-financed project supports Palau’s connectivity, while the World Bank is financing Internet connectivity for neighboring Yap State, FSM.

The project aims to provide higher quality broadband Internet at a much lower cost to Palau, making it accessible and affordable for the broader population. Greater uptake of the Internet will be a reflection of the project’s success.

Supporting inclusive growth and investment in ICT are key focus areas of ADB's Pacific Approach, which guides ADB's operational focus in the region.

ADB's project assistance includes a loan of \$16.47 million from its Ordinary Capital Resources and a \$8.53 million loan sourced from its concessional Asian Development Fund. The Government of Palau is providing \$5.1 million for a total estimated project cost of \$30.19 million.

ADB, based in Manila, is dedicated to reducing poverty in Asia and the Pacific through inclusive economic growth, environmentally sustainable growth, and regional integration. Established in 1966, it is owned by 67 members – 48 from the region. In 2014, ADB assistance totaled \$22.9 billion, including co-financing of \$9.2 billion.

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Source: <http://www.adb.org/news/adb-support-high-speed-internet-palau>