

NEWS RELEASE

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ADB Approves Additional \$76 Million for Road Upgrade Project

DILI, TIMOR-LESTE – The Asian Development Bank (ADB) has approved additional loan finance of over \$76 million for an ongoing project which is helping to create a national network of reliable, safe roads to handle the country's growing volumes of passenger and cargo traffic.

"The upgraded roads will complete the all-important link between Dili and the border with Indonesia, and open up an improved corridor to the eastern part of the country," said Shane Rosenthal, Country Director of ADB's Timor-Leste Resident Mission. "They are also part of a new generation of climate-resilient infrastructure which is being built to withstand extreme weather events."

The funds will allow the upgrade of an additional 97 kilometers (km) of national roads, on top of the 81 km initially earmarked for construction under the Timor-Leste Road Network Upgrading Sector Project. Along with the climate-proofing component, the project also aims to support local communities, with most laborers being hired from communities near project sites. Contractors are being encouraged to employ women, while safety awareness training and programs in HIV/AIDS prevention will also be carried out.

Timor-Leste's road network includes 1,426 km of national roads, 869 km of district roads and about 3,000 km of rural roads. Around 70% of the roads are judged to be in poor condition. The World Health Organization estimates that 190 lives are lost each year to road accidents so the project scope also includes support to develop a national road safety action plan.

The additional loan follows ADB's original assistance of \$49.33 million, with the total project cost now estimated at \$202 million. The project runs for 6 years with road construction expected to be completed by 2018. The contractors will then be responsible for maintenance for a further 3 years.

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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