

MANILA, PHILIPPINES (23 August 2011) -

The Asian Development Bank (ADB) is assisting the people of the Kingdom of Tonga to gain high-speed internet access by financing the development of a submarine cable system.

The ADB Board of Directors today approved grant funds of \$9.7 million to help finance the establishment and operation of an 827 km submarine cable system from Tonga to the Republic of Fiji which will provide widely accessible information and communication technology (ICT) services.

The new ICT services the cable will bring will improve Tonga's economic performance and delivery of public services. The Tonga to Fiji Submarine Cable Project aims to improve existing businesses' efficiency and create new business opportunities, especially in the ICT sector. The cable technology will boost telecommunications, computer, information, maintenance and repair services. It will also allow ICT-based education, health, and government services to overcome the small island country's challenges - distance and scarce human resources.

The project is estimated to cost \$32.8 million and is being co-financed by the World Bank Group and Tonga Cable Limited.

The fiber optic cable will connect Tonga to the Southern Cross Cable, the main trans-Pacific link between Australia and the United States. It will generate economic opportunities and social benefits starting mid 2013 when the cable is in place.

"The project aims to deliver good quality, affordable broadband internet to Tonga's population of 100,000," said Robert Wihtol, Director General of ADB's Pacific Department. "In addition to the positive socioeconomic impact of the initiative, the project will contribute to regional

integration."

The cable will increase the frequency and quality of communications among countries in the region, encouraging trade in services and will allow the region to form a sizeable market for digital products and services.

Tonga's Ministry of Finance and National Planning will be the executing agency for the project, which should be completed by 2016.

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 2010, ADB approvals, including cofinancing, totaled \$17.51 billion. In addition, ADB's ongoing Trade Finance Program supported \$2.8 billion in trade.

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