

SOLOMON ISLANDS GOVERNMENT



GOVERNMENT COMMUNICATION UNIT

**MEDIA RELEASE**

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**ADB APPROVES USD6M CONTINGENCY FINANCING TO SOLOMON ISLANDS**

The Minister of Finance and Treasury, Hon. Harry Kuma this week has announced that Asian Development Bank (ADB) Board has approved a contingency financing amendment total of US\$6 million to support the Solomon Islands Government in its preparedness and response commitments the covid-19 pandemic under its Pacific Disaster Resilience Program (PDRP).

The ADB Board made the approval on Monday 13<sup>th</sup> April following a request by Minister Kuma to extend the grant and credit facility under the Pacific Disaster Resilience Program, approved in December 2017 and to health related emergency and response due to the COVID-19 pandemic.

Minister Kuma stated in a statement this week that the assistance will help strengthen and boost the Government's disaster resilience covering the health related emergency efforts due to the COVID-19 pandemic.

Permanent Secretary, Ministry of Finance and Treasury Dentana Makini also confirmed that officials within the Ministry are working closely with ADB on the withdrawal applications to quickly access the funds. The Ministry expects to receive the funds before the end of this week.

Mr Makini said COVID-19 already had significant negative impacts on government finances and the economy, as additional COVID-19 related pressures, coupled with lower revenue trends over the last 3 months had forced the Government to implement a serious of fiscal and economic measures.

This includes the scaling down of Public Services. The Permanent Secretary also confirmed that Minister Kuma also requested US\$20 million direct budget support from the ADB early last month. The Government expected to receive a Board approval to this request by mid-May, 2020.

On behalf of the Solomon Islands Government, Minister Kuma expressed his gratitude to the ADB Board for their swift decision to grant approval to our request.

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