



MEDIA RELEASE

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Private and public sectors must focus on their roles in housing delivery

Shortages of affordable houses in urban areas, particularly in Lae and Port Moresby, the two largest cities in Papua New Guinea (PNG), have reached a critical level.

The National Research Institute Discussion Paper 208 titled: “*The role of private and public sector in the delivery of affordable housing in Papua New Guinea: experience of private developers in Lae and Port Moresby*” by Dr Lindsay Kutan, reflects on the roles of public and private sectors in providing affordable houses.

The study revealed that the private sector’s primary role is the construction of houses and ensuring the steady supply of houses in the housing market. However, the housing market in Lae and Port Moresby needs government intervention to address the following challenges:

- shortages of State-owned land;
- inadequate trunk infrastructure such as water main, sewerage, and good road networks;
- long turnaround time in the bureaucratic process of developing an undeveloped land; and,
- obtaining a subdivision approval for individual title of a residential allotments.

Shortages of affordable houses can be addressed by streamlining the roles of private and public sectors.

- Shortages of State-owned land requires urgent attention of the government.
- Encourage private developers’ involvement in providing trunk infrastructure needs through tax credit incentives.
- Review relevant legislations and regulatory structures to address inefficient bureaucratic processes.
- Urban development plans need to be prioritised, funded and implemented to ensure proper and orderly town development.
- Purchase of land by foreign businesses, particularly in the provinces which lacks the capacity to monitor should be supported by the government.

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