Mr John Kali, OBE  
Secretary  
Department of Personnel Management  
Morauta Haus  
P.O Box 519  
WAIGANI  
National Capital District

My dear Secretary

SUBJECT: REQUEST FOR EXPRESSION OF INTEREST (RFEOI) ON A BUILT OPERATE, LEASE AND TRANSFER (BOLT) FOR PROPOSED 29 STOREY OFFICE TOWER WITH A SEPARATE 4 SPECIALITY PODIUM, A SINGLE STOREY FUNCTION BUILDING AND A 4 STOREY PARKING BUILDING AT WAIGANI OFFICE PRECINCT, WAIGANI CENTRAL BUSINESS DISTRICT (CBD), NATIONAL CAPITAL DISTRICT

I refer to your letter dated 25 April 2013, in respect to your request for the captioned subject matter.

The Board at its Meeting No. M-10/13 held on Wednesday, 15 May 2013, carefully considered your request including NEC Decision No. 03/2013, NG 174/2012 & NG 171/2012 and discussed in length the best solutions on how to deal with your request. The Board finally resolved to reject your request and instead invite Naima Investment just like any private company to build the office tower on its own private land and advertise for tenants to lease the building.

The Board has noted that some of the proposed tenants such as the Departments of Finance and the Petroleum and Energy are already having their own office buildings erected. More so NEC Decision No. NG 074/2012 for the Marea Haus has already been implemented meaning that the proposed tenants will be drastically reduced. Further, there are proposal for the Central Government Offices to be furbished.

The prospect of the NAIMA Tower to be fully occupied is therefore not possible and the Board is cautious that the concept (BOLT) is not feasible and the State will end up with more liabilities than benefits.

The Board also took into consideration that housing of key departments and officers into one building is quite risky in terms of riots and other natural disasters and therefore such proposal is considered not to be in the best interest of the State.

The Board therefore considers it a risk to make such commitments and advise the NEC that it would be difficult to implement the decisions.

Again, Naima Investment or any other company for that matter is most welcome to invest into real estate in this country using their own money. It can also advertise in public for prospective tenants to take up tenancy in their tower as a private concern.

This Board is responsible for awarding of contracts using public funds. Since no public funds will be used in this transaction, the Board has no role in this instance.

Your rejected submission is returned herewith.

Yours faithfully

[ Signed ]  
Phillip Eludeme  
Chairman