

# 2 Cook Islands Logistics Infrastructure

Overall the current logistics infrastructure is coping with current demands however there are challenges.

**ROAD NETWORKS** total 295 km of which 70% are sealed. Increased traffic on Rarotonga together with tourist traffic, including an increase in cycling, has created the need for a substantially improved foundation and road surface. A significant factor in road damage is the lack of control of axle weights and the operation of overweight vehicles on the road system. The service provider for maintenance is Infrastructure Cook Islands (ICI), a Government body. New road construction is tendered to the private sector. Constraints to improvement are the limited right of way (about 10 m), and the minimal roadside drainage. On the Outer Islands, other than Aitutaki, most roads are unsealed. The service provider for maintenance on the Outer Islands is each Outer Island's governing body (Island Council).

Cook Islands Airports Authority (CIAA), a State Owned Enterprise (SOE), manages **AIRPORTS** on Rarotonga and Aitutaki. A new terminal was opened at the Rarotonga International Airport in 2010 and the airport generally operates efficiently and copes with current demand. The Outer Island airports (Atiu, Mangaia, Mauke and Mitiaro in the Southern Group and Manihiki, Penrhyn and Pukapuka in the Northern Group) have crushed coral runways and are managed by their respective Island Councils Administration Community Groups with technical support from The Ministry Of Infrastructure Cook Islands (MICI) and CIAA. Most have scheduled flights. Only 3 of the outer inhabited islands do not have airstrips.

The Cook Island Ports Authority manages the main **PORTS**. It is a Crown-owned statutory corporation. Following recent major reconstruction of Avatiu Port together with climate proofing and extension to storage and operational areas, the principal port on Rarotonga is adequate for the next 20 years or so. The port handles about 90% of food imports and 100% of the country's fuel supply. Currently cargo tonnages are in excess of 150,000 tonnes per annum, comprising petroleum products, building materials, vehicles and assorted consumer commodities.

Blue Sky controls the **TELEPHONE** network. The government owns 40% of the company, and shareholders 60%. It has a physical presence in all 11 of the populated islands. Connectivity is currently via satellite however there are plans to connect to the Manatua submarine cable. Currently Rarotonga and Aitutaki have 4G coverage, and the outer islands have GSM and data through wireless hotspots. BlueSky has a satellite phone for emergencies. Additionally, Red Cross provides a satellite phone to each island.

**ELECTRICITY** on the island of Rarotonga is generated, distributed and retailed by Te Aponga Uira (TAU), a state-owned enterprise. The power utility provides 90% of the Cook Islands electricity demand. Its goal is the conversion to renewably-sourced electricity by 2020. The outer Islands will all be self-reliant on solar power to every household by end of 2018. Conversion of distribution lines to underground is ongoing.

Energy is currently the only infrastructure sub-sector with a regulating commissioner overseeing the performance of the service provider.

**WATER** supply is surface-fed from 12 catchment streams distributed over the island, filtered at source and gravity fed to all households. A pipeline and storage reservoir upgrade are underway and the estimated date of completion is 2020. Eastern regions are subject to annual shortages (drought), and supplies are tanked over from the Western side of the island. Water can be sourced from bores but may not be suitable for drinking (brackish).

The Cook Islands face challenges in the provision of infrastructure. The economy is small and open, and economic performance is vulnerable to changes in international markets (particularly tourism source markets). Alongside the economic constraints other issues include the small, decreasing population, dispersed islands, fragile natural environment vulnerable to climate change and natural hazards, and dependence on imported fuel and other goods.

The government is cautious in relation to new borrowing, given projected levels of net debt servicing and the fiscal responsibility ratios.