



**19th June 2019**

**MEDIA RELEASE**

**Resource Industry will continue to remain as PNG's strong supporter**

The mining and petroleum industry will continue to be the backbone of Papua New Guinea's development contributing immensely to the development of the nation's human resource, economy, infrastructure, and improving the livelihoods and living standards of thousands of communities'.

The President of the PNG Chamber of Mines and Petroleum Mr Gereia Aopi said this when speaking at the 35<sup>th</sup> Australia Papua New Guinea Business Forum which was held in Port Moresby on June 17<sup>th</sup> and 18<sup>th</sup>.

"The industry alone contributes 26% of PNG's GDP and 80% of the nation's export revenue," Mr Aopi said.

"The sector also provides more than 20,000 jobs to Papua New Guineans, whilst 30,000 more are employed in landowner businesses, and other PNG businesses that support the industry."

"We also deliver strong and sustainable growth in areas such as infrastructure by building roads and bridges; health facilities and services where we continue to support the provision of much needed medical drugs and supplies for health centres and hospitals, immunization programs for mothers and children; education and training for thousands of our young Papua New Guineans who have been trained to work in this world-class industry, and business development where we have helped established and grow landowner businesses," he said.

"Landowner companies are important because they economically empower communities and provide employment and training to citizens of local communities, and directly benefit families as well, helping to reduce dependency on royalties," Mr Aopi said.

"Resource companies invest heavily in establishing, and providing necessary governance and administrative support to landowner companies which serve to ensure long term sustainability."

“With this ongoing support, many landowner companies such as Anitua, Ipili Payala Investments, Trans Wonderland Limited, Hides Gas Development Corporation, NKW Limited, Star Mountains Holdings Ltd, and Mineral Resources Development Company just to name a few who have been able to grow and diversify their business portfolios and expand to other parts of the country and abroad.

“As a Chamber, this is what we would like to see happen with other landowner companies so that they can be sustainable when a mine, or oil and gas project ceases to operate.

“The diversification of these successful businesses has also helped their communities and their local shareholders gain additional return,” Mr Aopi said.

Landowner and local companies are important to mining and oil and gas companies because they provide a wide range of services including labour hire, janitorial services, catering, security, earth moving, freight and logistics, and transportation.

“The resource industry in PNG is a significant economic driver – contributing a sizeable chunk of PNG’s Gross Domestic Product, and providing many other socio-economic benefits,” he said.

He added that in order for the industry to continue supporting and growing the PNG economy, there needs to be stable and predictable government policies and a favourable investment climate that underpins PNG’s investment attractiveness.

“We have heard the Government’s desire to amend resource laws, and to ensure PNG benefits more from its resources. We share this desire and will support the development of legislations that encourage investments and provides a better outcome for PNG. We want to work with the Government and all stakeholders to make this happen. We want to see a stronger Papua New Guinea with a stronger economy, and a bright future for our country,” he added.

PNG is one of the few countries in the world where mining and petroleum projects provide socio-economic opportunities to local areas they operate in. Many of these projects have open up access and opportunities to some of the most isolated rural communities in PNG.

This benefit structure is unique in the world as mining and petroleum companies in many jurisdictions of the world do not provide socio-economic services to the areas they operate in.

Mr Aopi also spoke about the Chamber’s desire to work with Government on the establishment of a Petroleum Resources Authority.

“We are also ready to support the Government’s vision to establish a Petroleum Resources Authority. We’ve stated publicly the industry’s position on many occasions, and our position remains steadfast. The establishment of a strong, robust and efficient regulator that is financially autonomous will have the capacity and zeal to promote

increased oil and gas exploration and assist the government in regulating petroleum industry activities,” he said.

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Chamber President Mr Gereia Aopi speaking at the 35<sup>th</sup> Australia PNG Business Forum in Port Moresby.

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