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PAPUA NEW GUINEA

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Pushing ahead with confidence

The Pacific Island of Papua New Guinea is growing in credibility with investors as it increases links with Japan and puts measures in place for solid, win-win partnerships.

With its economy set to shift up a gear as downstream processing industries are providing excellent prospects for growth, Papua New Guinea is offering new and tempting opportunities for Japanese investors.

The Pacific Island country, home to around 6.88 million people and a wealth of resources, which includes gold, copper and petroleum, has already benefited from Japanese assistance in the areas of environmental and climate change, the strengthening of an economic growth base and improved social services.

To the PNG authorities, Japan represents a nation with a strong business ethic and an abundance of the skills and technologies it needs. In return, Japan can become a major player in what will be one of the world's most exciting economies over the coming decades.

PNG's rise from wild frontier to emerging economy has been taken on board by the international community. As the World Bank notes: "The economy is highly dualistic, consisting of an enclave based formal sector that

focuses mainly on large-scale export of natural resources, and an informal sector dominated by the subsistence and semi-subsistence activities of the majority rural population, although a local non-mineral SME sector is now emerging.

"There has been important progress in key areas of structural reform in recent years; in particular, opening markets

"The size of the economy may be small but in terms of potential it is quite enormous."

Peter O'Neill, Prime Minister, PNG

in telecommunications and air transport has produced major welfare gains for the population.

"To diversify the economy and increase employment, attention is needed to challenges such as maintaining law and order, improving the business climate, commercializing state-owned enterprises, reducing the regulatory and licensing burden, and equitably accessing resources — including land — for develop-

ment. Developing infrastructure — electricity, telecommunications, road and other transport — continues to be a critical precondition for accelerated private sector-led growth."

The World Bank continues to work closely with PNG as it moves toward middle-income status.

For Prime Minister Peter O'Neill, PNG's role in the Asian

boom cannot be underestimated. A member of the Asia-Pacific Economic Cooperation (APEC) for 20 years, the country has sat on the sidelines, but O'Neill intends to take the bull by the horns and make his country an integral part of the new wave of growth.

The benefits of open, integrated markets need to be felt by more people, he says: "Our focus is to continue to increase trading

opportunities for PNG, pointing to its expanding, export-focused oil and gas, mining, agriculture, fisheries and forestry sectors. We don't want any subsidies, we don't want any other tax incentives that they offer for certain industries, but having access to the markets is more important to us than anything else."

"Being a member of the APEC community gives a lot of opportunities for PNG to link the Pacific into many of the established economies around the world. What we are trying to do is to make sure we link up these smaller economies to ours so that they can take advantage of some of the trading arrangements that we have."

According to APEC, PNG, whose top-ten trading partners last year included nine APEC economies led by Australia, Japan, China, Singapore, Malaysia and the U.S., projects some 6.2% growth in 2014. This is down from around 7.5% in the last five years, but ahead of the International Monetary Fund's 5.5% growth forecast for PNG in 2013.



The future looks bright for PNG's young population.

Per capita GDP among PNG's seven million people, half of which are under 25 and account for over 80% of all Pacific islanders, has also increased ten years in a row. Addressing the effects of economic transition is now a central focus.

On the ground, institutions and entities have been galva-

nized by the new optimism. New bodies have been set up to help get peripheral industries producing more while the public departments become more accountable. O'Neill is focused on APEC members working to further raise living standards and address the unique challenges facing Pacific islands in

which PNG plays a special role on account of its size. These include fast-growing populations and the effects of climate change on small island communities.

"One way to do (it) is by trade and investment — making sure that our businesses are prospering in those areas (and) they have access to the markets that

the bigger (economies) have so that they can export some of their produce and the resources that they have," he explains.

And, as his country gears up to host the APEC Summit in 2018, he adds: "The size of the economy may be small but in terms of potential it is quite enormous."

Waking up to business options

Aromatic, distinctive and widely grown, PNG high-grade coffee yields immense possibilities for partnerships between Japanese entrepreneurs and producers on the ground.

With so much land and fertile, untouched soil, agriculture is heralded as the lifeblood of PNG's future economy. Although sweet potato is the island's staple crop, coffee is now a multi-million kina industry, and the country's second-largest agricultural export after palm oil, employing approximately 2.5 million people.

Almost 85% of the coffee produced in PNG is grown, harvested and partly processed by smallholder growers, making it the leading income source for a large percentage of the population. Production has increased steadily in recent years, thanks to favorable weather conditions and coffee prices. In 2012, the World Bank allocated \$46.3 million to coffee production, in order to grow the industry and increase output considerably.

Although in its infancy compared to more established coffee industries around the globe, the World Bank's interest in PNG demonstrates the potential of this precious cash crop.

Luckily for PNG, there is the Coffee Industry Corporation (CIC), headed by acting CEO Anton Benjamin. The CIC exists to support the development of the industry, maximizing financial returns to all players within the industry and ultimately achieving the government's socioeconomic goals.

From his office in the Eastern Highlands, Benjamin told *Global Insight* the country has the potential to produce almost two million bags a year and that the CIC has a number of strategies to make this happen.

"We hope to rehabilitate many of our rundown plantations," he



Anton Benjamin
Acting CEO
Coffee Industry Corporation

says. "The situation in the industry now is that the government permitted many smallholders to buy land and manage them together. This was a great initiative, but a lot of that land is going to waste because of lack of management, capacity and resources. In the end, because it was not productive, many companies left and we are trying now to address this now.

"PNG produces some of the best organic, high-quality coffee in plantations, so we want to bring these back into production, provide more price support for landowners so they can get back to produce coffee and educate producers of best practices. The most important factor really is the price, and for that we depend on world markets."

The aim, it seems, is to get people talking about PNG as a major coffee producer, in the same way they would talk about Brazil, Colombia or Ethiopia.

"There is a move toward the certification of coffee which will help producers," Benjamin says. "There is also a focus on infra-

structure, which helps producers get their products to the market and stabilizes the prices. We want farmers to focus on coffee, not move from one crop to another depending on commodity prices which affect the industry."

Strong opportunities

There are, he says, many opportunities for more foreign investors to come in and partner with local farmers.

"We need to invest more in agriculture, but of course, the government only has limited resources. Agriculture contributed up to 30% of the GDP and we are demanding that we are given the same support as other sectors. I think that with that support we could consolidate all we have accomplished. So the potential is there.

"The government is supporting incentives in order to promote investments. We need

"We can produce for Japanese businesspeople and meet their regulations and quality standards."

Anton Benjamin, Acting CEO, Coffee Industry Corporation

people that have the expertise and, most importantly, have connections to the market.

"We have a long-term relationship with Japan based on mutual understanding, respect and cultural similarities. The Japanese already buy our coffee. We are involved with companies here, but we would like to extend those relations.

"The challenge we face is that the Japanese are very strict about their coffee in terms of quality, food regulations and so

forth, so we need to step up and meet the demand of the Japanese markets. We are also looking to increase the demand for coffee in different countries and see the need to really invest in this sector in order to provide good quality coffee to them."

Once again, it is PNG's unique landscape that makes its various coffee tastes and aromas stand out. "Our coffee is quite different depending on the area and culture that produces it," Benjamin explains. "Each time we taste coffee from a different area, we look to support the farmer and encourage them to continue what they are doing. This ensures the diversity of our product and its distinctiveness — and this is what makes it popular around the world."

The coffee chief is keen to talk to Japanese entrepreneurs and investors that would like to use the existing ties between

the countries to engage with the coffee industry.

"There many variables to talk about," he says. "We can produce for Japanese businesspeople and meet their regulations and quality standards.

"I would like to invite them to come and look at different plantations, perhaps talk to producers and exporters and foster new ties. At the end of the day, the government can only do so much we also need the private sector to step up and deliver on the goods."

The PNG coffee market growing in potential, growing in quality



As the rise in coffee shops and cafés around the world shows, demand for this rich and satisfying brew is growing by the day. Fueled by World Bank support, Papua New Guinea's Coffee Industry Corporation (CIC) has, since 2011, been driving developments in this high-yield industry, with training schemes and resources aimed at increasing export volumes and quality. There is a huge amount of land available for corporations to come and partner with local landowners and exciting opportunities for foreign investors who can provide expertise, knowledge and contacts.



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Getting the environmental balance right

In the face of increased greenhouse gases and climate change, PNG has a dedicated department monitoring the results of industrialization to protect the islands' fragile ecosystems.

The global drive toward progress and growth is often viewed as a double-edged sword. On the one hand, the wealth from investments in countries with lucrative natural resources, can — when properly distributed — raise standards of living for the population at large; communities gain in terms of access to water, sanitation, health care and education, and jobs and housing on a basic level, with better products, services and opportunities following as skills and income levels rise.

On the other hand, however, the race for resources can cause irreparable damage to the environment, ecosystems and natural habitats. Increased demand for, and consumption of, goods in richer parts of the world can have catastrophic indirect effects in the form of more industry and more toxic gases in the atmosphere.

The climate is changing: rising sea levels, landslides and flooding are now a fact of life in many parts of the world, but, while the bigger picture can look bleak, on the ground, there are organizations and government departments working hard to strike a balance.

Papua New Guinea is often billed as “the last frontier” — and for good reason. The South Pacific country, together with the West Papua region of Indonesia — jointly called New Guinea — comprise a tropical wilderness that, despite covering less 1% of the world's land mass, contains at least 5% of the world's untouched high-biodi-

versity ecosystems, two-thirds of which are endemic species. After the Amazon and Congo, the New Guinea area boasts the third largest rainforest in the world, which is home to unique wildlife like tree-climbing kangaroos and more species of orchids than anywhere else. Conserving these environments is key for the sake of science and future generations.

As it leads the country through an immense transformation and industrialization drive, the PNG government is working hard to manage climate change in this part of the world.

Set up in 2010 by the O'Neill government, the Office of Climate Change and Development (OCCD) monitors carbon emissions and the impact of climate change on development itself. Varigini Badira, acting executive director of the OCCD, describes the challenges PNG faces and how

“We have secured some major assistance to research how communities can mitigate the impact of the major hazards we face.”

Varigini Badira, Acting Executive Director of the OCCD

development partners such as Japan can help.

“Global warming is having a large impact, particularly on our small islands, and we are facing seven major hazards, namely: landslides, rising sea levels, agricultural yield loss, increasing rainfall, inland and coastal flooding and forest decay,” he says. “We had the first

climate refugees in the world due to the sea level rise impacting a small island community in Bougainville, but the impact has been felt right across the country.”

Feeling the impact

On a practical level, landslides in the Highlands have blocked key roads causing losses of millions of dollars, and there is also a natural impact: the Great Alexandra Birdwing butterfly — the largest butterfly in the world with a wingspan of more than 30 centimeters — is under enormous threat due to the destruction of its habitat through landslides and flooding.

Badira is worried, yet pragmatic. “We are fortunate to have received funding from the Japanese government combined with the Global Fund for Disaster Risk Reduction, and through this we must work to build climate resilience within

how communities can mitigate the impact of the major hazards we face.”

In fact, over the last couple of years, the OCCD has had access to around \$84 million worth of funding, but more is needed. As a country whose livelihood also depends on its environment, Japan, Badira hopes, will be willing to collaborate with PNG further.

“People are aware that harvest times have changed, that the size of fish and shells have changed,” he says. “These kinds of subtle changes are not noticed by most people, so we go in and measure the long-term impact.”

“We have to get our communities to come together in a holistic way and address what is happening. For example, the malaria vector-borne disease has traveled up to the Highlands for the first time ever due to rising temperatures.

“We have secured some major assistance to research how communities can mitigate the impact of the major hazards we face.”

Varigini Badira, Acting Executive Director of the OCCD

critical infrastructure,” Badira says. “We also receive support from the adaptation fund under the 2% levy on CDM (Clean Development Mechanism) projects globally and the climate investment fund managed by the World Bank of which the Japanese government is a stakeholder. We have secured some major assistance to research

“Business communities are now going into the rural areas: banks and ExxonMobil are going out there and providing awareness to the people. On top of that, the government has set up several technical working groups to address the problems on the ground.”

The health of the environment has been a serious issue in PNG



Parts of PNG are already feeling the effects of climate change.

since it became independent. It is written into the constitution and in the government's long-term socioeconomic development plan Vision 2050.

It is, as Badira explains, now something that district and provincial plans must also take on board as part of the country's national development.

“We need to cut down on waste, use more fuel-efficient vehicles and more efficient buildings. We need more advanced water sanitation and telecommunications infrastructure in the rural areas to enable our people to develop.”

“There are trade barriers to overcome in transferring technology from developed countries to developing nations so the modalities need to be addressed. We need to focus on ecotourism, but before this, we need to address the issues in the

country to make this a possible prospect.”

Increased collaboration with Japan is crucial, Badira says.

“The Japanese have an advanced society that prides itself on advanced development so we can learn a lot from them. Especially in how they have utilized technology to drive development, but at the same time maintain their environment.

“We could learn a lot from how they have advanced a country of a very small land mass with limited resources and maximized development.”

OCCD Projects

Meanwhile the OCCD is busy advising industry. The forestry and agriculture sectors have been found to contribute to more than 90% of greenhouse gas emissions through large-scale

logging and the conversion of forests into agricultural use.

If PNG continues to grow as it is doing now, greenhouse gas emissions are expected to rise as much as 32% by 2030. This increase would be in sharp contrast to the country's commitment of reducing emissions by 50% compared to a business as usual baseline by 2030 and becoming carbon neutral by 2050, the OCCD says.

The entity is also pursuing energy saving options, including rural electrification, connecting areas to a national grid, and the use of technologies to increase electricity capacity.

As well as adaptation programs and consultation with government departments, industry leaders and non-government organizations, the OCCD will also implement a

measurement, reporting and verification (MRV) system that it can provide to international counterparts, to prove it is reducing emissions.

Last autumn, Badira announced that the OCCD would take an “institution-based approach” where relevant institutions are tasked to play a key role in data collection and compilation.

“The institution-based approach requires more capacity-building in terms of institutional arrangement; in the choice of method, activity data, and emission factors; in prioritizing improvement activities under limited resources; in planning and implementing quality assurance and quality control procedures; and in developing an effective archiving system,” Badira said.

CONSERVATION IS OUR PRIORITY

In a world of disappearing species and habitats, it is more important than ever that governments act now to protect vulnerable ecosystems. Papua New Guinea's Office of Climate Change and Development (OCCD) not only protects the rare flora and fauna endemic in this tropical part of the world, but is also keen to increase awareness of its unique wildlife.

Take the Ornithoptera Alexandrae, or Queen Alexandra's Birdwing. The biggest butterfly in the world — its wing span is over 30 centimeters — has become an endangered species, according to the International Union for the Conservation of Nature. Its habitat is now restricted to a small stretch of coastal rainforest in southeastern Papua New Guinea with an area of about 100 square kilometers on account of increased palm oil plantations.

The OCCD is doing everything it can to protect the species as part of its overall remit, which is to ensure the country grows responsibly and sustainably. Our commitment to the development of renewable energies — geothermal, hydro, solar, wind and tidal — is also unwavering.



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Putting PNG on the tourism map

Unspoiled, wild and a natural paradise, PNG is a growing tourism destination that offers exciting opportunities for divers, surfers, walkers ... and investors looking for new openings.

With its beautiful rainforest and beaches, unique cultures, history and wildlife, Papua New Guinea is unlike any other tourism destination in the world. Often described as "untouched by time," the remoteness of some of its major attractions and the vast and pristine natural landscape make it an adventure wonderland for people who like trekking, diving or just exploring.

Although the tourism industry is still in its infancy, the authorities are working hard to get the message out about the immense draw of a visit to this safe, far-flung location and bring investors on board to help build up the hospitality offering.

There are huge opportunities for both travelers and businesspeople to benefit from visiting PNG or investing in the tourism sector, now.

Boka Kondra, Minister of Tourism and Peter Vincent, CEO of Tourism Promotion Authority (TPA) told *Global Insight* what the sector holds development-wise and why

Japan should get involved. "Tourism is an industry for everybody," Vincent says. "It is more sustainable compared with extractive resources. Our priority is to market PNG not as a mass tourist destination, but as an adventure tourism

"This government has taken a strong interest in finding a way to make tourism a priority."

destination for hard and soft adventure types. We don't have the same facilities as other countries in the region, yet we offer bird-watching, trekking and fishing on a unique level. "We have a rich and diversified cultural environment and are targeting people with a high level of disposable income."

There are challenges ahead, but the government's commitment is clear, as Minister Kondra explains.

"Previous governments have overlooked tourism's potential,"

he says. "This government, however, has taken a strong interest in finding a way to make it a priority. We need to overcome the lack of air service provision, the cost of air fares and a lack of accommodation, but have decided to use a holistic

Boka Kondra, Minister of Tourism

approach and address these problems collectively.

"Another of the main issues that will be tackled is safety. This will be done. In order to reduce the costs of hotels and air services, we need more competition."

As a South Pacific island nation close to the huge tourism markets of Japan and Australia, PNG offers plenty of potential for cruise ships and maritime tourism, as Vincent explains.

"We are looking to get local people involved, but first we

need funding to establish an active and inclusive cruise ship industry here. Last year, the government allocated millions of kina to develop infrastructure around the country, and is also developing jetties in coastal provinces to facilitate growth."

However, rather than attract the huge liners with passengers keen to dock en masse in the capital, officials are betting on smaller vessels with around 150 passengers that can travel directly to a village as part of an expedition. This, Vincent says, will have a direct impact on the smaller regional communities.

"Local people who do not have access to government services will benefit largely from the call of a cruise ship on a regular basis. In 2008, we started the Louisiades rally, where a number of large yachts sail from Cairns in Australia around Louisiades on the island of Milne Bay.

"They stay around the islands for about five weeks and in the process, visit the islands and pick up supplies. There is even



Boka Kondra
Minister of Tourism

a hospital that has been wholly funded by yachts in that area.

"The Carnival cruise line has recently begun operating in the area, and we have plans for it to extend its route to many smaller islands to enable passengers to experience the different cultures and people."

To facilitate this development, much of the red tape is also being lifted. "We decided to abolish the 100 kina tourist visa and are enabling remote clearance for passengers sailing directly to the islands so that they can avoid Port Moresby completely," Vincent says. "We have also reduced the berthing

costs of a ship from 50,000 kina to 25,000 kina so the message is very clear to those cruise ship companies that we will be happy for them to call into PNG frequently. Tourism has the ability to empower our people to help themselves."

Land of adventure

As well as cruise visits, sea-loving adventurous types will find incredible diving and surfing in PNG. Boasting one of the healthiest coral reef systems in the world, PNG's reputation as a divers' paradise is growing.

Kimbe Bay, for example, on the north coast of the island of New Britain, is part of the Coral Triangle, home to some 76% of the world's coral species. In addition to the incredible reef sites, PNG's waters house a number of wrecked World War II boats and aircraft, which offer a wealth of wreck-diving opportunities.

Many of the diving spots are easily accessible by a day-trip boat and there are many sites further out which can be dived from one of the many live-aboard boats available locally.

There are also a huge number of surfing locations which can be enjoyed all year round. On

the southern side of PNG, places such as Hula Beach (100 kilometers from Port Moresby), Milne Bay, Bougainville and East New Britain can be surfed from June through to September, while in the north, surfing season is mid October to late April at Madang, Wewak and Kavieng, with the better and more consistent waves found in Vanimo.

Those who prefer their adventures above sea-level will also find lots to do. Hiking and trekking trails are organized across the islands, but the most famous is the Kokoda Track, site of a famous World War II battle between Australia and Japan.

"People without access to government services will benefit from the call of a cruise ship on a regular basis."

Peter Vincent, CEO of Tourism Promotion Authority

Another popular hike is climbing Mount Wilhelm, the highest mountain in Papua New Guinea and Oceania at 4,509 meters which can be achieved within three or four days.

Japanese visitors in particular might also go to PNG to explore an historical connection

between the two countries.

Rabaul, a stunning volcanic peninsula on the north of the island, site of the Japanese stronghold during the war, is home to the largest Japanese War Memorial in the Pacific for example.

Whatever the mission, Vincent says, PNG is a country that needs to be put on the map as a tourism destination. A far-reaching tourism master plan states that by 2017, PNG's tourism sector will be a growing and sustainable industry that is recognized globally as a destination offering a range of unique adventure tourism experiences,

generates significant investment and employment through profitable business opportunities and subsequently improves the lifestyles of rural and urban communities.

With Japan's help, the myriad of potential available will could soon become a reality.

Come to the land where nature made beauty and Japan made history.

A world away from the daily stresses and strains, yet close enough for a comfortable break, Papua New Guinea should feature on every traveler's wish list. Vast, crystal-clear waters, beautiful, natural surroundings, hospitable people and relics from Japan's involvement in World War II all contribute to make this one of Asia Pacific's most awe-inspiring destinations.

Papua New Guinea
LAND OF OPPORTUNITY

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New openings launched in aviation

As the PNG economy takes off, aviation officials are tightening security measures and inviting more foreign investment to build world-class airport cities the country, and its visitors, can be proud of.

As a vast and largely undeveloped country with little in the way of road and rail networks, Papua New Guinea relies on air travel for the transport of people and goods.

The two largest cities: Port Moresby and Lae are only connected directly by plane and there are 70 airports around the country which provide the main links between the cities and outlying areas.

However, many of these areas could be brought into the fold and benefit greatly from, and contribute to, PNG enterprise with a far-reaching rehabilitation plan, and this is what the government and aviation officials are hoping to bring about in the coming years.

Since the gold rush of the 1930s and 1940s, when PNG housed

heart of our industrial region, the others for tourism.

"The prime minister's vision is not just to have civil aviation as a complement to the economy, but to drive open the tremendous alternative we have as the gateway to the Pacific.

"With tourism, for example, no one wants to go to Port Moresby, but people do want to go to Esa'ala or Misima. We should recognize the potential that is just waiting to be tapped and start planning accordingly. This is what we are doing now.

"We want Port Moresby to become a strategic transit point in the Pacific between northern Asian countries and the emerging powerhouses in South America. Right now, most of the transit workers go through

aviation sector to be able to provide a world-class aviation service.

"We are in the process of modernizing our procedures and undergoing a massive improvement in the sector," Minister Steven says. "Our plan is not only to manage and upgrade our equipment and give our people new skills, we also have the capability to manage neighboring air space like Solomon Islands and Vanuatu.

"With our upscaling we are regional leaders. Our vision, our mission is to become world class. We are committed on all fronts to improving the sector."

Safety first

PNG is extremely competitive when it comes to aviation safety.



Wilson Sagati
CEO and Director
Civil Aviation Safety Authority

of both economic growth and employment within the country. This growth will rely on a sophisticated aviation industry that continues to implement strong safety standards, while taking PNG into the realms of a world-class tourism and business hub.

The Civil Aviation Safety Authority (CASA) was set up in 2010 to improve standards across the board. CASA has the power to check that rules set down by the Ministry of Transport for all levels of aviation personnel are being complied with and have the power to take action if they are not.

"The important thing is that we put the legislative framework in place that will enable safe operations into the areas as we undergo the regionalization plan," says Wilson Sagati, CEO and director of CASA.

"Obviously infrastructure is the issue, but if we are able to set the minimum standards to operate there safely, we are meeting our target of ensuring that people get where they want to go safely. It is our responsibility to ensure that whoever is the operator, whether a large or



PNG has its sights set on becoming an aviation hub for the region.

small aircraft, they are safe.

"We need to be proactive in what's happening internationally. We learn a lot from countries like Japan that have grown and have a mature aviation industry and infrastructure.

The more we interact and learn, the more we can build our infrastructure the same way. There is no point in saying "we are a small island so we can't compete."

"What we want to do is be a part of the international scene and be involved."

Airport City plans take off

As part of the national plan to take PNG's aviation sector to new heights, the National Airports Corporation (NAC), which owns and operates 22 national airports throughout the country, has launched a blueprint for

airport cities at Port Moresby International Airport (PMIA), and Nadzab Airport in Lae.

The development opportunities that would be feasible for Japanese investment are far-reaching, says Joseph Kintau, MD and CEO of the NAC.

"We are looking for private development partners for the Port Moresby Airport City project, which will establish an integrated commercial and community hub, which is diversified, vibrant, iconic, secure and adds value to PMIA, and the Nadzab Airport City project in Lae.

"We have had several expressions of interest by Japanese companies and developers and will be considering these proposals seriously for future projects," he says. "Port Moresby has huge potential: it is the fastest-growing capital in the western

central Pacific. PNG's economy has seen double-digit growth for five out of the last seven years, with the prospect of a second LNG project being constructed with the revenues from the first one, we are standing on the verge of an economic boom.

"We already have nearly two million international travelers per year, and this will increase dramatically in the future. As PNG is currently under-supplied with hotel rooms, there is an opportunity for the development of an airport facility to cater for this growing demand."

There is also an opportunity for the Japanese to invest in a prime historical location and an area of outstanding natural beauty.

"Tokua airport was built by the Japanese as a gift to PNG following the volcanic eruption that destroyed the old airport at Rabaul," Kintau explains. "Tokua takes its name from the land it was built on and is the new international tourism hub of PNG. It is the gateway to the Pacific islands of East New Britain, New Ireland and the Duke of York archipelago which is one of the finest island tourism destinations in the world.

"There is a very attractive proposition in Tokua for a private investor to develop a golf course and hotel resort, as there are more than 10,000 hectares of pristine land in the vicinity which borders a beautiful dramatic coastline."

"We already have nearly two million international travelers per year, and this will increase dramatically over the coming years."

Joseph Kintau, MD and CEO, National Airports Corporation

one of the busiest airstrips in the world and independence, when there were 1,200 airstrips, domestic air travel has declined. These days, there are only 200 airstrips, but for Davis Steven, minister for civil aviation, the plan is to resurrect the industry through a full modernization of infrastructure.

"This is an important sector where development should be concentrated," he says. "The government plans to build three international airports; one in the

Philippines or Indonesia.

"If we increased capacity, they could come here, we just have to work hard and give the opportunities to facilitate that option."

Preparing for APEC

In 2018, Papua New Guinea will play host to the Asia-Pacific Economic Cooperation (APEC) leaders' summit in Port Moresby — a global event that will see the presidents of the U.S., China and Russia arrive on its soil. The heat is on, therefore, for the country's

It has been ranked within the top-ten countries in terms of safety and reliability by the International Civil Aviation Authority and national carrier Air Niugini, which flies both internationally and to PNG's major cities, boasts an unblemished safety record during its 32 years of operation.

As investment opportunities rise across the downstream processing industries — particularly fisheries, minerals and oil — there will be a greater chance

AIR SAFETY ASSURED

Operating in line with international safety and security standards, the Civil Aviation Safety Authority is a professional and experienced body that promises customers a world-class airline experience. With excellent infrastructure and a strong commitment to ongoing training at all levels, CASA is a vibrant and effective regulator that avoids complacency and works hard to ensure excellent standards of safety across PNG's aviation sector. As interest grows in the country's resources, we are delighted to offer Japanese business leaders and tourists coming here a safe and pleasant journey.

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NAC
NATIONAL AIRPORTS CORPORATION

Creating new destinations to new investment opportunities

The sky's the limit for the Papua New Guinea's aviation industry thanks to the skills, drive and ambition of the National Airports Corporation (NAC) that has helped establish the country as a gateway for investment and tourism.

With the mission to deliver safe, efficient and reliable airport services, NAC is the industry's guardian and owns and operates 22 airports located throughout PNG's main provincial headquarters.

As the island country's economy takes off, so does interest in NAC's extensive operations with the enterprise targeting Japanese investors to develop a strong portfolio of aviation projects.

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