



PM: Kroton Equity rights will be exercised

By AJA POTABE

GOVERNMENT will help landowners and provincial governments affected by the PNG LNG Project to exercise their rights in acquiring the 4.27 per cent Kroton Equity in the gas project.

Prime Minister Peter O'Neill said the government will ensure the process is properly followed so that it essentially sets a standard for ongoing and future projects to follow.

In a media release dated January 24, Mr O'Neill said the landowners and the provincial governments of Hela, Southern Highlands, Gulf and Central, will have to exercise their rights to take up their Kroton Equity options within the period from January 1 to 31 June this year.

Though Mr O'Neill failed to mention Western Provincial government and its affected landowners specifically from the PDL 9 in Juha, Wantok Today understands that Western is also an impacted province and its landowners are also entitled to benefit from the Kroton Equity.

"The (clan vetting) process is underway to identify affected landowners and confirm participating clans," Mr O'Neill said.

The successful completion of that process will ensure the rightful landowners and their clans are recognised as Incorporated Land Groups (ILGs).

This is provided for in the license based benefit sharing agreements (LBBSA) and other agreements, the Prime Minister said.

This process of identifying and confirming project area landowners is being carried out through the National Court annexed mediation exercise.

"This is (done) under the leadership of His Honour, Justice Ambeng Kandakasi and deputy chief magistrate, Mark Pupaka with the consent of the affected project area landowners and the State."

O'Neill said if this process is carried out properly, it will set as a benchmark for future landowner participation, given the country is experiencing many resource proj-



Prime Minister Peter O'Neill.

ects currently, some of which are continuing and some new projects coming online.

"ExxonMobil is expanding the PNG LNG Project with the P'nyang (gas) field now being negotiated with government, and once the officials establish a position it will come to cabinet for government's approval.

"They will increase the investment to pipe gas from P'nyang to the current project sites and that will create a lot of construction and employment for Papua New Guineans.

"This is billions of dollars of investment.

"The new TOTAL-led (Papua LNG) project is estimated to be valued at around US\$20 billion (K60b).

"That is going to create a lot of employment over several years.

"There is a lot of work going on behind the scenes, including a lot of drilling so that they can verify the reserves of gas there so that they can determine the plant size and how it can be constructed and delivered.

"This will create a lot of employment for Papua New Guinea and a lot of stimulus for the economy over a number of years."

In relation to affected PNG LNG Project areas, Mr O'Neill said disputes involving Court annexed mediation cover ten PNG LNG Project related cases.

"Those proceedings raise issues about disputes over participation in the PNG LNG Project, the right to receive royalties and participate in project equity.

"There are also disputes about the application of infrastructure development grants (IDGs) as well as business development grants (BDGs) and the legality of the PNG LNG Project itself."

O'Neill said the government has welcomed the Court's intervention and endorsed it unreservedly.

In welcoming this action, he said the government has confirmed accredited mediator and national court mediation track judge, and chairman of ADR Committee, Justice Ambeng Kandakasi, as the mediator in charge with overall oversight authority of the medi-

ated intervention program.

"We have also further approved and confirmed accredited mediator and deputy chief magistrate in charge of land courts in PNG, Mark Pupaka, as lead mediator. This vests in him full authority for all daily operational matters of the mediated intervention program.

"The government has done this to give better traction and to ensure the court annexed mediation exercise delivers on its objective.

"This must be in time for the affected project area landowners and provincial governments to exercise

their options."

In terms of logistics, the mediation team is collaborating with relevant State agencies including the Department of Lands and Physical Planning, Civil Registry Office and Solicitor General's Office.

The Police and Defence Force are maintaining security and the judiciary is providing its full support.

The mediation team is backed up by lawyers representing the respective parties in the referred court cases.

This includes State lawyers, relevant State agency personnel with statutory responsibilities in the ILG formation process, as well as others engaged for the purposes of this mediated intervention program by the mediators.

The mediated intervention program commenced with an initial K2.3 million funding support from the government and O'Neill said progress is being made and milestones being met.

"At this juncture the government is pleased to note that

landowner identification and clan confirmation and corporatization work in most of the Blocks in PDL 8 is complete," PM O'Neill said.

"Towards the end of last year Finance Minister James Marape, and the Tari-Pori Treasury gave additional financial support of K1 million which the mediation team is now using to continue its work.

"The Department of Lands and Physical Planning has also used some of its development grant to fund its support activities, while the judiciary has and continues to provide considerable support to the mediated intervention program. This includes accepting costs of participation by mediation team members from the National Court headed by Honourable Justice Kandakasi."

The Prime Minister said the government is fully committed to see the mediation work concluded in a timely period noting that the government:

- will ensure that the back end of the PNG LNG Project, the landowner royalty receipt and equity participation, is realized sooner;

- will ensure that all social risks to the PNG LNG Project are properly managed;

- Further wants to set the benchmark for landowner participation in future projects within the oil and gas industry with PNG LNG cases mediated intervention program outcomes.

To achieve these aims, the Prime Minister said the government will fully fund the mediation team's remaining work in all of the PDL areas from the well heads to the PNG LNG Project pipeline and plant site areas.

"Our Government wants to see all relevant State entities and actors extend their total support to the mediation team," O'Neill said.

"All relevant State agency personnel, including those with functional responsibilities in the ILG formation process, must collaborate fully in this very important exercise.

"This is important for the nation that all programs set by the mediators are respected and their instructions are followed," O'Neill said. **To page 3...**

Your Thoughts...



What do you think on the funded scholarship for 4,700 students only?



Name: Julie Lakoro
Age: 21
Home Province: New Ireland
School Last Attended: Sogeri National High
Current School: Matriculation at UPNG
Dream Job: Doctor

The government has funded scholarships for 4,700 students only. What do you think the government should do about the 18,300 students who missed out? And what do you think the students should do for themselves?

The government should look more into funding at least a sum of money to schools that are conducting matriculation studies. The students have to think seriously about their studies so that the government's money is not wasted.



Name: Joshua Anthon
Age: 20
Home Province: Enga
School Last Attended: Mount Hagen Secondary
Current School: 1st year at UPNG
Dream Job: Businessman

The government has funded scholarships for 4,700 students only. What do you think the government should do about the 18,300 students who missed out? And what do you think the students should do for themselves?

The government should help them by sponsoring them to other institutions where they can further their studies. Students should find other ways to help themselves if they miss out by upgrading their marks or try other technical schools.



Name: Grace Abes
Age: 19
Home Province: Hela
School Last Attended: Gordon Secondary
Current School: Upgrading at UPNG
Dream Job: Chartered Accountant and IT Specialist

The government has funded scholarships for 4,700 students only. What do you think the government should do about the 18,300 students who missed out? And what do you think the students should do for themselves?

Since these 18,300 students missing out on the scholarship are human resources needed to develop PNG, the government should provide funds for them to continue their studies. The students must show interest and stop lazing around.



Name: Junior Amos
Age: 22
Home Province: Hela
School Last Attended: Hagen Park Secondary
Current School: 4th year at UPNG
Dream Job: Public Servant
The government has funded scholarships for 4,700 students only. What do

you think the government should do about the 18,300 students who missed out? And what do you think the students should do for themselves? The government should put more funding into those current institutions to at least cater for those students missing out on scholarships. They should build new lecture rooms or new institutions to cater for the increasing number of grade 12 students in Secondary schools and National High Schools.

Finding a purpose in life

By Esther Bralyn Wani

THE FIRST glamorous Papua New Guinean Miss Pacific, the beautiful Miss Havora gave the country something to be proud of in the years to come.

The Pacific queen has made history by winning the regional crown after 6 years since PNG joined the pageant in 2010.

Miss Havora comes from a mix parentage of Central and Kerema province. Her father is Hula and Kerema mix, so that's where her surname comes from. She is proud of her Kerema origin and Silo village in Kerema where she comes from.

In her speech at the Meet and Greet event after winning the Miss Pacific Islands Pageant she said, "This time last year I didn't even think of entering a beauty pageant. I didn't think much of a beauty pageant but I came to realize that it was about being a cultural ambassador and it was a good opportunity and a good platform to show that young PNG women can be inspirational to great things."

"I thought that as a young graduate, someone making my way in a male dominated field and my association with The Voice which is a youth development organization, I thought I could be a positive influence, and it worked. I hope ordinary Papua New Guineans will look at me as a role model. I had to be myself and hope to make a positive impact in someone's life. Well,

we made it up here," the Miss Pacific proudly said.

"It's been a really good run, this pageant has open a lot of doors for me. I've really grown as a person, to be confident and to believe in who I am which is the best thing that could happen to someone.

When you learn to truly believe that you have something positive to contribute and make a difference is what I hope for more young Papua New Guineans, not just women but men. Young girls and boys to develop in believing in themselves.

"Winning Miss PNG was the stepping stone and I thought that was the first of challenges but there was more to come. I'm not someone who stands up but I had to learn. When I won Miss PNG, I told myself that you have to go out there and show them that PNG is more than what they read in the newspapers.

We are smart, we are beautiful, we are intelligent, our people are friendly, we have a lot to offer and that's what I wanted to bring to this pageant. To show them not to believe in everything you read, talk to one of us and you will know that PNG is just like any other Pacific Island country, but even greater," Miss Pacific said this and got nods from everyone.

Meanwhile, Miss Havora said, "A mentor, Serena Sumonop, made a comment on nation building and said a nation cannot be built on broken people. So what she was referring to

was that peoples' souls matter. For someone to fully know why they are here on earth they must know their purpose," she said.

And my advice to young people out there would be to make it your aim to find your purpose, if you really want to live a fulfilled life. Find your purpose because when you find it you find yourself," Miss Havora said.

Lastly, she said what this Pageant stands for is education and empowering young women in tertiary institutions to complete their third or final years of study. So just as we are empowered, we must give back to empower others.

That's how the cycle of development continues. The cause behind the pageant is to empower these young women which is the scholarship fund that we have.

The applications closes on the 30th of this month for interested applicants out there in PNG.

Last year the Committee budgeted about K70 000 for the scholarship fund so they were able to get 42 young girls in PNG. Since the advertisement of this scholarship fund she had so many girls email her not only to get a copy but told her how grateful they are for this initiative.

She said young girls go on to secure a future for themselves and it opens up opportunities for them in life and as the popular saying goes, when you educate a woman, you educate a nation.



Miss Pacific Islands meeting and greeting sponsors and fans at the The Edge at Port Moresby.

Funding an obstacle in education

By Esther Bralyn Wani

A TOTAL number of 18, 300 students will miss out on scholarships because the number of scholarships have decreased this year.

Only 4, 700 students have been offered a scholarship through the Office of Higher Education (OHE), while the rest will have to find other ways or go on self sponsor to get into a higher learning institution.

Acting Secretary for the Office of Higher Education, Professor David Kavanamur said, "About 4, 700 new students have secured spaces for scholarships into tertiary institutions from the 23, 000 Grade 12 students who sat for



Disappointed students waiting at the Kila Kila Secondary school's library to enquire about their names which did not appear on the newspapers.

PM: Kroton Equity rights will be exercised

Meanwhile, Kumul Petroleum Holdings Limited, formerly known as the Kroton No 2 Limited, explained that the grant of 'Kroton Option' for Kroton Equity to affected provincial governments and project area landowners under the umbrella benefits sharing agreement (UBSA) in Kokopo in 2009 shall capture the following facts that;

- The option is for 25.75% of Kroton No. 2 Limited;
- Kroton No. 2 was a shell company under IPBC which then became the nominee entity for the State when the PNG LNG Project was sanctioned in 2008;
- The Kroton No. 2 company was renamed to NPCP (Kroton) and is now a subsidiary of the restructured Kumul Petroleum Holdings Ltd (KPHL);
- The 25.75% option in Kroton No. 2 was offered to the PNG LNG Project affected Landowners and Provincial Governments at the UBSA negotiations in Kokopo and there is an agreed fixed price of US\$1.01 billion (K3.03 billion) for that if the landowners and provincial governments wished to exercise that Option;



Gas flare in Lealea village outside Port Moresby.

- They key principle here is that it is an option and that option can be exercised or not;
- It's NOT a MUST for anyone to exercise that option if the price is not right or if the economic conditions are not right;
- The agreement was done on the basis of all the best economic analysis and data

provided by ExxonMobil when the PNG LNG Project was being negotiated with the State;

- The reference to 4.27% in PNG LNG project is sometimes misunderstood by a lot of Landowners and Provincial Governments that it is a direct interest;
- The 4.27% in PNG LNG project is NOT

a direct interest;

- The 4.27% is the equivalent interest if you converted the 25.75% interest in Kroton to equity in project where Kroton has 16.57% interest in the Project for the State;
- The beneficiaries are only entitled to an interest in Kroton No.2 through the exercising of that option within 6 months window from 1st January to 30th June 2016;
- The State through Kumul Petroleum Holdings can assist the beneficiary groups and we will be conducting public forums in Port Moresby and in the affected project sites to ensure we get total buy in on any solution that KPHL provides to the potential beneficiaries;
- It is also important to note that the clan vetting process (CVP) and the ADR process must be allowed to progress very quickly and concluded so that Beneficiaries are properly identified and their representatives elected; and
- Potential financiers as well as State and its instrumentalities including KHPL can only deal with genuine landowners and this is a prerequisite for any discussions on the Kroton Option.

the Grade 12 National exam in November last year."

Professor Kavanamur said, "In 2015 there were 5, 628 students who had successfully secured space in the OHE scholarship award. However, these number have decreased to 4, 700 this year because of the state of the economy."

He said the money from the government is insufficient to cater for the number of Grade 12 students around the country. "The national government gave K45 million last year which was enough for more students to secure a scholarship, but in the 2016 Budget, the government gave only K28 million which is not enough to get more students in," said Professor Kavanamur.

Professor Kavanamur added that the K28 million can only cover scholarships for the 4, 700 students.

Among the 23, 000 students who sat for the grade 12 National Exams last year, only 4, 700 students have been successful in securing scholarships. Unfortunately, the majority of the students numbering to almost 18, 300 were unsuccessful in securing scholarships.

Meanwhile, in a policy statement made by the Minister for Education, Nick Kuman it states that, "The government of Papua New Guinea will provide tuition fee free funding to schools registered under the National Education System to enable all school aged children to access universal quality education from Preparatory grade to Grade 12, including students in Technical Vocational Education and Training (TVET), Flexible and Distance Education (FODE) and inclusive education."

The National Department of Education abolished the payment of project fees last year which left the parents, guardians and other stakeholders the responsibility to provide additional basic requirements such

as, but not limited to, school uniforms, sports equipment, lunch, transportation, toiletries, and additional stationery.

According to the policy statement, the additional fees may be imposed by schools for special purposes as approved by the National Education Board and Provincial Education Board. Students will not be denied an education for non-payment of this fee.

It also stated that the maximum Project Fee limits may change from year to year. The project fee limits for 2016 will be for elementary level – K50, primary level – K100, High Schools/Vocational – K200 and Secondary schools – K250.

All in all, the Minister for Education, Nick Kuman and Acting Secretary for Education, Doctor Uke Kombra in a joint statement are pleased to announce that they now have a single integrated Tuition Fee Free policy that will provide further clarity and direction in the implementation of tuition fee free.

Minister Kuman and Dokta Kombra said, "This landmark policy is benefiting all children irrespective of background across our country. We have had challenges in implementing and monitoring this massive agenda as we remit over K2 billion to over 10, 000 schools each year and aim to ensure accountability."

"We are now making this policy available to all our schools and institutions and also our stakeholders including the general public so that they understand it and help us to implement it successfully.

We believe that this policy will give opportunities to many more children to complete education from Prep to Grade 12 and thus contributing to the human resources who will develop our great country," Minister Kuman and Acting Secretary Kombra said in a joint statement.

The 'Maro' traditional ritual to control Minzeng river flow

By JAMES G. KILA

INVOKING the help of spirits or supernatural sources to ensure security and safety in the community had been a custom and a tradition in many traditional PNG communities in the past.

Customs were the traditional rules of the community. They have guided people for thousands of years. They are not written down in a book, but are passed down in the memory of people and told orally.

Nowadays, although Christianity has been introduced widely, many traditional customs and rituals are still preserved.

I witnessed an interesting traditional custom on Saturday, November 21, 2015 in a ceremony at Lalok number 4 village in the Astrolabe Bay LLG of Rai Coast district, Madang province.

However, the custom I noticed at Lalok was somehow blended with the Christian faith in the manner it was conducted.

The villagers had earlier reached a consensus to convene a 'maro', which is a special ceremony to call upon nature's intervention. In this instance the villagers had placed their faith to prevent a nearby Minzeng river from causing destruction when it is flooding.

Preparations for the event began early with women cleaning the meeting area, and proceeded to cooking for invited guests.

Mid-morning hours were sweltering hot and humid as we took shelter under nearby fruit trees to hear speeches delivered by the village elders acknowledging guests and explaining the significance of the occasion.

Ramu NiCo Community Affairs Department General Manager), Martin Paining and his deputy Yuan Zhi to later team up with the company's Chinese engineers and equipment operators to witness the ceremony some 30 kilometres south-east of Madang.

The actual 'maro' began with sharing of bunches of betel nut amongst everyone present as a gesture of unity and agreement for the ceremony to proceed. The Chinese engineers accepted the 'buai' with delight.

After the buai was shared, a village elder passed around a bunch of 'tanget' leaves tied together for everyone to touch.

Lalok ward Ward seven Councillor, John Merit thanked



Betel nut being shared with Ramu NiCo Chinese engineers.

'Tanget' being passed around to people to show consensus before it is planted.



The 'tanget' being planted.

Ramu NiCo for donating a pig for the occasion as well an excavator to work on diverting the river flow at Minzeng river to compliment the traditional ritual.

"Although, it is our traditional village custom, we greatly acknowledge the assistance of Ramu NiCo and your presence here today" Merit said.

He said, particularly school children had difficulty crossing the river to access basic services, and many a times the busted its banks and destroying houses, food gardens and cash crops. Four villages upstream of Minzeng suffered severely when houses and food gardens were destroyed some years back. These villagers

were Albu, Angreng, Kulel and Yawar.

After everyone had touched the 'tanget' everyone left the meeting place and walked to the banks of Minzeng river where two Church pastors, Yutamko Kumo and Lesley Mai from the Lalok Lutheran congregation of Bonga circuit of the Evangelical Lutheran Church of PNG (ELC-PNG) joined in. These clergies said prayers prior to the 'tanget being planted on the banks of the Minzeng river.

After the 'tanget' was planted, some round pebbles from the river which were prayed upon were thrown far towards the middle of the river.

At that time an excavator was

assisting to dig up the river banks to divert the river flow on a central route. It so happened at the time river level was low due to the drought induced by the country-wide El Nino phenomena.

"The 'tanget' is a stop order. God has created it for a purpose and many places are using it," Pst Lesley Mai said.

"The strength of our ancestors comes from the Creator. All living things God created has its boundary,

"We are planting the 'tanget' as a stop order so that the river does not flow toward its sides and cause destruction," Pst Lesley explained

The blending of traditional

customary rites with the modern Christianity rites somewhat baffled some of us present, however, we paid closer attention to the proceedings with utmost respect.

Pst Lesley spoke in a very enthusiastic way to explain the connections of the traditional custom and the Christian faith which captivated everyone who participated.

Lalok youth leader Rokus Lako explained that in other places in Madang, particularly the Bel language-speaking areas, this same tradition is called 'Maror'

Treasurer of the Coastal Pipeline Landowners Association in the Ramu Nickel Project, Jeffrey Kina said the people of Lalok and those along the Madang-Saidor road had always been affected by the Minzeng river during the rainy season when it floods.

Kina acknowledged Ramu NiCo (MCC) for assisting in fixing the road and upgrading the banks of the river so river can flow smoothly.

The nickel/cobalt mine developer saw fit to assist the Lalok community merely because its vital 135 kilometer slurry pipeline which links the Kurumbukari Mine and the Basamak Refinery travels through Lalok village.

Mr Paining, on behalf of Ramu NiCo thanked the Lalok community for the feast and acknowledging their presence.

"This is a small but a significant ceremony which demonstrates your belief in the area where you live.

"We, as a developer in Madang acknowledge your belief because it is your belief that keeps you intact as a community and in peace and harmony in the community," Mr Paining said.

He said the company is supporting agriculture as the driving force and will want to see everyone benefit from it after setting up central cocoa nursery at Lalok village.

He said Ramu NiCo will continue to work with them in accordance to its memorandum of agreement (MoA) to assisting project impacted communities.

The 'Maro' finally ended when local food and tasty pork meat were shared amongst everyone.

Dark clouds were gradually forming in the distant mountains of the Finistere Range, as we departed, only hoping that the traditional custom the Lalok people had place faith on would