



# LAE CHAMBER OF COMMERCE INC.

## WEEKLY NEWS UPDATE

11 May 2012

VOLUME: 18 - 12

### LAE CHAMBER OF COMMERCE INC.

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suggestions that you  
can make?

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*Thank you*

### FROM THE PRESIDENTS DESK

#### POWER SUPPLY TO LAE

We had an excellent brief this week on the Lae Power supply situation from Martin Bigglen, PNG Power Limited's Regional Manager for the New Guinea Mainland.

#### Ramu Power Grid

The Ramu One Power station at Yonki has 5 x 15 MW generators with a total capacity of 75 MW. The Paunda Hydro Scheme in Enga Province adds a further 12 MW to the electricity Grid.

Currently the No. 4 & 5 sets at Ramu One are out of service being overhauled. Each of the three remaining units at the Power Station generating at about 11 MW, therefore Yonki is only generating 33 MW at the present time.

There are 2 new generators on order @ 9 MW ea. The 1st one should be installed by December this year and the 2<sup>nd</sup> one is planned to be in place by March 2013 which will add a further 18 MW to the grid. By March 2013 the 2 renovated Generators should be back online which will add a further 30 MW back into the system.

After March 2013 the remaining 3 Ramu sets will be pulled off one at a time to be overhauled.

All up the Ramu Power will generate 102 MW when and if all generators are running at full capacity.

With the current demand for power at 60 MW, the system will generate enough power to meet the current demands.

#### THERMAL GENERATORS

Diesel Standby generators are located in Lae and Madang.

1. Lae has sets at Milfordhaven and Taraka sub power stations, with a capacity of 22 MW but only capable of generating 15 MW at the maximum.
2. Madang has standby sets generating 3 MW

The fact is that there is insufficient power generated on the Ramu Power grid at the present time, to meet the demands of Lae City as well as the other towns that are serviced. Until March 2013 there will be a need to supplement the power, by the full time operation of the Standby generators in Lae and Madang. The output from the Lae generators is unreliable and there will be constant load shedding carried out until March next year.



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**Objectives  
of the LCCI**

- To promote the business interests of the private sector;
- To further the economic development in Lae;
- To ensure the provision of services and utilities essential to such development;
- To provide a representative body for business people, which government can consult;
- To promote support or oppose legislation; or take any other measures to improve the business community;
- To provide a forum for discussion of private sector goals;
- To pool the strengths of business people so that together, they can accomplish tasks that each one alone cannot achieve;
- To promote the economic viability of the area, so those current businesses will grow and new ones will be developed locally;
- To provide business with a common voice.

## POWER SUPPLY TO LAE (Continued)

### PNG Power Offers Rebate Scheme

Most companies in Lae have had to install standby generators, due to the irregularity and poor quality of the Power, caused in main by the above problems. PNG Power Limited (PPL) estimates that there is over 20 MW of privately generated power in Lae.

PPL would like companies with larger generators, to operate these generators at times when there is insufficient power in Lae. They are asking these companies to sign an agreement with PPL, which will entitle them to a .40t rebate per litre so that they won't lose money to operate their generators.

If you are interested to sign up on this rebate scheme, or if you wish to get more details you are asked to contact –

Martin Bigiglen on email [mbigiglen@pngpower.com.pg](mailto:mbigiglen@pngpower.com.pg) :phone - 72014018 or

Morgan Legra on email [mlegra@pngpower.com.pg](mailto:mlegra@pngpower.com.pg) : phone 71610971



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### FUTURE PLANS

#### RAMU 2 POWER STATION

There are plans for the construction of a separate Ramu Two Power Station. Currently PPL looking into the feasibility of this with Land purchases etc to be done. It is planned that this power station will have a capacity of 200 MW.

#### RAMU TOE OF THE DAM POWER STATION

The Toe of the dam project is going ahead, after PPL had initial contractor problems The toe of the dam Power Station will provide power to the Resource Industry particularly Mines.

### SHORT TERM PLANS FOR LAE

As Lae will suffer the worst effects of the current shortfall in Power, PPL has plans to construct an extra Thermal Power Sub Station. It is now proposed that the station will be established at Singawa and currently land issues are being resolved. A JICA (Japanese Aid Agency) expert is currently assessing whether this station is actually necessary, given the developments with the Ramu Power.

### OTHER PLANS

1. The JICA Expert is doing a feasibility study on running a second line from Ramu to Lae. Currently there is only one line from Ramu to Lae and there is always a risk of damage to this line causing a disruption to Power in Lae. Also the existing line follows the Markham River down the Markham Valley and the River is a threat because it is constantly changing course.
2. Longer term plans are to build a small Hydro scheme at the Mongi River (between Lae & Finschhafen), with a 95 MW capacity.
3. PNG Sustainable Ltd has plans for a large Gas operated Generator in the Southern Highlands, to satisfy LNG demands, and to sell excess power into the PNG Power Grid.
4. Governor Wenge is sponsoring an American company, to build power stations in Lae – the first being a Diesel generation station with a Capacity of 40 MW to supply Lae (same principle as the Singawa station) and the second stage Gas fed large generating plant. This submission is currently before the NEC but there is doubt if they will eventuate.

### CURRENT

PNG Power Limited has embarked on a program to survey the existing power lines in Lae, and pick out the potential danger spots. Then they will commit to a schedule to systematically repair these potential problems. This will be in addition to normal maintenance.



The Australia Pacific Technical College will be conducting **training promotional sessions** in Lae from **Monday the 21<sup>st</sup> to Wednesday the 23<sup>rd</sup> of May**. Trevor Birney and Rick Harper will be at the Lae International Hotel for this period to provide an opportunity for the APTC to promote the training and scholarship opportunities available with the members of the Chamber of Commerce and stakeholders.

On Tuesday evening from 5:30 pm on, the APTC will provide finger foods and refreshments for interested representatives of business community in Lae and present a short overview of the training opportunities available with the College.

All members will be most welcome to attend. Please advise Wendie by reply email, phone (472 2340) or fax (472 6038).



IBBM Enterprise Centre  
To Robert Business Training Centre, Vanama Cresc  
P.O. Box 1721, Port Moresby, NCD.  
Phone: (675) 321 5018, Fax: (675) 321 5017  
Email: [info@enterprisecentre.com.pg](mailto:info@enterprisecentre.com.pg) or  
[emmanuel.pindao@enterprisecentre.com.pg](mailto:emmanuel.pindao@enterprisecentre.com.pg)

## 2012 ROADSHOW

This Road Show in Lae has been re-scheduled to now be held on Tuesday the **22<sup>nd</sup> May at the Lae International Hotel from 9:30am to 11:30am**.

As part of the Esso Highland National Content Plan, **IBBM Enterprise Centre** will be doing its 2012 Road Show. Last year (2011) the Enterprise Centre did the Road Show at Project Impacted Areas Upstream. This year it will focus on the main business centres in PNG. It will be an opportunity for local businesses in PNG to understand and know the scope of work **Exxon Mobil** is doing and how local businesses can benefit from such a project with the help of the Enterprise Centre as an established entity to manage and assist PNG local business to maximize their participation in the **PNG LNG** project and achieve global standards of business management.

### IBBM ENTERPRISE CENTRE ROADSHOW LAE

We have already been contacted by interested participants, and we are still looking at approximately 50 – 80 members to register for this road show. There'll be morning coffee and tea with a lunch provided after the road show.

As such we anticipate working in partnership with Lae Chambers of Commerce. We believe that such initiatives will open the door for local businesses to participate proactively in business in the resource sector. Your participation is of course highly appreciated.

## 2012 IBBM ENTERPRISE CENTRE ROAD SHOW

**Lae International Hotel, Lae**  
**15<sup>th</sup> May 2012**  
**9:30 am -11:30 am**

### DELEGATE REGISTRATION FORM

Please complete and return this registration form for each member to the President, Lae Chamber of Commerce Incorporated, or fax me a copy or email me. For more detail you call or email [emmanuel.pindao@enterprisecentre.com.pg](mailto:emmanuel.pindao@enterprisecentre.com.pg) . Registration enquiries to Tiona – Tel (675) 321 5018 or fax on 3215017

### DELEGATE INFORMATION

Name: \_\_\_\_\_

Position: \_\_\_\_\_

Company: \_\_\_\_\_

Postal Address: \_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_

Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_

Type of Business your company is currently engaged with:

\_\_\_\_\_

\_\_\_\_\_

*AM Coffee and Tea will be provided and lunch refreshment will be served after the event.*

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**AusAID Media Release**

**MINISTER FOR FOREIGN AFFAIRS - BOB CARR**

Australia's four year plan to help the world's poorest

**Media release - 8 May 2012**

Foreign Minister Bob Carr today announced the introduction of a Comprehensive Aid Policy Framework which will guide the growth of the Australian aid budget over the next four years.

'Australia's commitment to international development efforts is contributing to real results,' Mr Carr said.

'Poverty is decreasing in every region of the world, but more remains to be done.

'Lifting the last 1.3 billion people out of extreme poverty is even more challenging than achieving the progress of the past 20 years. Many of the people who remain in extreme poverty live in conflict-affected, fragile or remote parts of the world, and are the hardest to reach.'

The aid budget is forecast to increase from \$4.8 billion in 2011-12 to around \$7.7 billion by 2015-16.

In late 2011, the Government committed to developing a Comprehensive Aid Policy Framework.

Mr Carr said the release of the Framework sets a new standard for aid predictability and accountability for Australia and its development partners.

The Framework includes forecasts of where Australian aid will be spent over the next four years and the results to be achieved in terms of lives saved, people lifted out of poverty, children educated and vulnerable people provided with life-saving assistance in times of crises.

The Framework highlights that by 2015-16:

Asia and the Pacific will continue to be our highest priority regions, benefiting from over 70 per cent of Australian aid; our 12 largest bilateral aid recipients will all be in Asia and the Pacific - Indonesia, Papua New Guinea, Solomon Islands, Afghanistan, Vietnam, Philippines, Bangladesh, East Timor, Pakistan, Cambodia, Burma and Vanuatu; over 30 per cent (up from 27 per cent now) of the aid budget will be delivered through partnerships with multilateral organisations, expanding the reach and influence of Australian aid; the World Bank Group, Asian Development Bank, World Food Programme and United Nations Children's Fund will be our most significant multilateral partners; 25 per cent of the aid budget will be spent on education assistance given its centrality to the achievement of all the Millennium Development Goals; and at least 10 per cent of the aid budget (up from six per cent in 2007) will be delivered through partnerships with non-government organisations.

More aid will translate into more results. For example, by 2015-16, our aid will:

save lives, by helping to vaccinate more than 10 million poor children against preventable childhood diseases; provide one million mothers with access during birth to a skilled birth attendant; provide a further 8.5 million people with access to safe water; provide a further five million people with access to better sanitation facilities and knowledge of hygiene practices; provide life-saving assistance for 30 million vulnerable people in conflict and crisis situations; and help a further four million boys and girls to enrol in school and 20 million children to obtain a better quality education.

The Government is making itself accountable for these results, and for higher standards of operational effectiveness.

'Progress against the Framework will be assessed in an Annual Review of Aid Effectiveness that I will present to Government each year,' Mr Carr said.

'The Review will judge the performance of the aid program against its headline and operational results, covering all government agencies that spend Australian aid overseas, not just AusAID.'

The Review will also recommend changes to the four year budget strategy, updated on a rolling basis, as a result of performance or changing circumstances. The first Annual Review of Aid Effectiveness is due by the end of October 2012 and will be made publicly available soon after.

Media enquiries:

Minister's Office: (02) 6277 7500

Department of Foreign Affairs and Trade Media Liaison: (02) 6261 1555

AusAID Media: 0417 680 590



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## CRIME

Since last week's advisory message on Crime trends and precautionary action that should be made, the Lae Chamber has been asked to provide some sort of advice on what precautions should be made leading up to and during the forthcoming elections.

I am a member of the Morobe Provincial Election Steering Committee and I tried to attend a meeting set down for this morning but it seems that the meeting was deferred. As the Police and Defence Forces are also part of this committee, they are the ones to offer the necessary advice on this matter. I will see if there is a meeting of this Committee set for next week, so I can try to put together an accurate appraisal of what we can expect by for circulation in next Friday's News Update.



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### A FOCUS ON THE PAPUA NEW GUINEA RESOURCE SECTOR

## PNGREPORT

The latest edition for April/May 2012 of this magazine is now on display at the Lae Chamber of Commerce. Read the reports on the HIDDEN GOLD TRADE, JUDICIAL BILL CONTROVERSY, BIG BAD AND UGLY FREIGHT and FREEDOM'S LAST STAND, when you get your free copy of this April/May edition, which can be reserved by contacting Wendie on 472 2340 or by emailing us at [lcci@global.net.pg](mailto:lcci@global.net.pg). or just come into the chambers and pick up your copy.

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## TRANSPARENCY INTERNATIONAL PNG

### Voter Education 2012

The Voter Education project is an initiative of Transparency International PNG in partnership with the ESP3 (PNGEC, Aus Aid & Caritas PNG) to:

*"build integrity in the electoral processes through civic awareness".*

Much of the aims and formal activities of this project has been carried through since it came into being in 2007 in view of the National Elections. This year in 2012, Voter Education is embarking on maximum information dissemination to ensure that

#### What is Voter Education

Education in support of the Electoral process is known as Voter Education where the primary target is the voter.

At its core, Voter Education is an enterprise designed to ensure that voters are ready and willing, and able to participate in electoral politics. It has been assumed that this entails election literacy and confidence that the electoral process is appropriate and effective in selecting governments and promoting policies that will benefit the individual voter.

It is essential to ensure that voters can effectively exercise their voting rights and express their political will through the electoral process. If voters are not prepared or motivated to participate in the electoral process, then questions may begin to arise about legitimacy, representativeness and responsiveness of elected leaders and institutions.

#### TIPNG's Voter Education Goal in the 2012 National Elections

The main objective is to increase the quality of governance and thus reduce corruption by assisting voters to make a more informed choice when voting in the national elections.

The civic awareness geared project aims to reach this goal of maximum Voter Education information saturation and dissemination through:

- Poster Publications & Distribution:

Voter Education has revealed 9 new posters translated in English and Pidgin, each bearing the various significant issues that raise voter rights and responsibility, MPs accountability and responsibility, electoral processes all essential to upholding Free, Fair & Safe elections.

With the assistance of TI stakeholders and partners, we aim to distribute 72,000 posters nationwide. These posters comprise of 9,000 English and 63,000 Pidgin Posters and also contain teaching notes and poster instructions on the undersides





#### • Radio & TV Broadcasts

Given our nations rugged physical geography and limited access, the Voter Education project aims to utilize the mode of Radio & TV to compensate for those areas we cannot access to conduct face-to-awareness. It furthermore sheds light on what Voter Educations is as well as informs the public to anticipate the Voter Education posters and upcoming Regional Forums and Provincial Workshops closest to them.

NBC and Kundu2 are to broadcast this largely panel discussion orientated activity will be broadcasted live for 7 consecutive Wednesday s from February 15<sup>th</sup> to March 28<sup>th</sup>. This PNG Electoral Commission endorsed Radio & TV broadcasts topics of discussion will be based on the FAQs that were raised during the Voter Education Regional Forums in 2007.

The panellists have been nominated from a diversity of pedigrees from PNG and abroad to give more real perspectives from those of learned professions as well encourage the public to engage the panellists in discussing pressing issues that arise before, during and after the elections.

#### • Regional Forums & Provincial Workshops

These activities are the pinnacle of the voter education project.

The Provincial Workshops will be run regionally, leading up to the Regional Forums which will be final point of the interactive workshops.

The workshops themselves are aimed at educating and providing local volunteers the knowledge and skills on how to use the posters and conduct their awareness with their people in their local vernacular. The final meet at the Regional Forums are more orientated in the same fashion as the Radio & TV panel discussions and will hold discussions on Good Governance, Leadership, Electoral processes etc as well as address issues that arose in the panel discussions.

The schedule for the Regional Forums and Provincial Workshops are as follows:

2012 Voter Education Provincial Workshop & Regional Forum schedule (Revised)  
Run time:

REGION	NEW GUINEA ISLANDS & ARB PROVINCIAL FORUMS	HIGHLANDS PROVINCIAL FORUMS	MOMASE & ORO PROVINCIAL FORUMS	NCD & CENTRAL PROVINCIAL FORUMS
PROVINCE, DATES, TIME & VENUES	KAVIENG (NIP) Date: 11 May 2012 Time: 9:30 a.m. – 1:30 p.m. Venue:	GOROKA (EHP) Date: Time: Venue:	LAE (MOROBE) Date: 24 May 2012 Time: 9:30 – 1:30 p.m. Venue:	HANUABADA (NCD) Date: Time: Venue:
	ARB Date: 17 May 2012 Time: 9:30 a.m. – 1:30 p.m. Venue:	KUNDIAWA (Simbu) Date: Time: Venue:	POPONDETTA (ORO) Date: 31 May 2012 Time: 9:30 – 1:30 p.m. Venue:	KUPIANO (RIGO/ABAU DISTRICT) Date: Time: Venue:

In the grand scheme of things, it is in our best interest that the message of voter education outlives the elections and sustains the people of Papua New Guinea in respecting individual rights and upholding the law of the land for a better today and tomorrow.