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**PRESS RELEASE**

**Governor Undialu Presents Position Paper On  
Porgera Mine CDA**

Governor for Hela Province, Hon Philip Undialu on Friday Sept 08, 2023, presented his province's position paper pertaining to the Porgera Mine Community Development Agreement (CDA), to the Mining Minister Hon Sir Ano Pala.

The presentation was done at the Airways Hotel in Port Moresby, witnessed by Vice Minister Assisting the Prime Minister on State Negotiations Hon Jimmy Maladina, Vice Minister for Mining Hon James Donald, Chairman of the State Negotiating Team (SNT) Dairi Vele, Secretary for the Department of Mineral Policy & Geohazards Management (DMPGM), Harry Kore, and the Mineral Resources Authority's (MRA) Executive Manager for Development Coordination Division, Andrew Gunua.

Governor Undialu was accompanied by key landowners of Gas-To-Electricity (GTE) facility and well-heads, which has been supplying 70 mega-watts of power to the Porgera mine for the last 30 years. He said the Hela Province hosts almost 70 km of power lines that supply power to Porgera mine.

Hon Undialu said his government had raised 16 issues and proposals in the position paper on behalf of his stakeholders. However, he said some of the issues were commercial in nature and would be discussed in appropriate forums, while some will be discussed during the CDA process.

The leader said the 16 issues and proposals had been condensed into two proposals for the government to consider. He said option one was the 'Porgera & Gas-To-Electricity (GTE) Project Integration.

"We are now proposing for a project integration or unitization," said Governor Undialu.

He said for instance in the PNG LNG project, all supporting facilities of the project, in Hela, Southern Highlands, Western, Gulf and Central Provinces, are all integrated, where we all work together in benefits sharing arrangements.

He said if this proposal was accepted, his government and stakeholders expect to negotiate with the state on benefits such as equity, royalties, Business Development Grant (BDG), Infrastructure Development Grant (IDG) and other social benefits.

Governor Undialu said the second proposal was to treat the GTE facility as 'stand-alone project, and have its Memorandum of Agreement (MOA) reviewed, and ownership be transferred to the provincial government and landowners, on a 50/50 basis subject to old Mining Development Contract (MDC) Clause 6.4.

He said clause 6.4 of the old MDC says that on the 10th anniversary of the mine's operations, the power plant would be transferred over to the State.

Hon Undialu said the mine started operations in 1992, which means that the GTE facility should have been transferred to state in 2002 which did not happen.

He said if the GTE was transferred to them, the provincial government and landowners would ensure that social security is provided.

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Minister Pala on receiving the position paper from Hon Undialu, said this papers would be considered together with papers presented by all other stakeholders integrated into a formula for negotiations soon.



***Photo: Governor Undialu (left) presenting the position paper to Minister Pala (center) on Friday. Looking on are Hon Maladina and Hon Donald.***

