

**Press review:  
Mining in the South Pacific**

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**Abbreviations in common use:**

BCL: Bougainville Copper Limited

LNG: Liquid Natural Gas

PIR: Pacific Islands Report

PNG: Papua New Guinea

**Websites:**

Radio New Zealand: <http://www.radionz.co.nz/international>

PNG Post-Courier: <http://postcourier.com.pg/>

PNG National: <http://www.thenational.com.pg/>

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**Mining equity to be shared among landowners, government: Marape**

Post-Courier, April 29, 2022

The eight per cent equity of the Wafi-Golpu Mine project requested by Morobe provincial government and landowner groups of Morobe Province will be acknowledged by the government, Prime Minister James Marape has announced yesterday. Prime Minister Marape said his government is looking at securing a K1.2 billion infrastructure development grant (IDG) for the impacted and affected communities of the Wafi-Golpu mine and discussions were still going on with the State's negotiation teams and the developer. Mr Marape was responding to Morobe Governor Ginson Saonu request for the provincial government and landowner groups' request to receive 8 per cent equity from the mine benefits during a consultative meeting in Lae yesterday.

The Prime Minister said when Wafi-Golpu goes into operation the spin-offs are huge and not only the provincial government and the landowners will benefit but also all the Papua New Guineans as well. To the provincial government's request for K1.2 billion for tax credit infrastructure grant into

the future, Mr Marape said “it’s not easy to say no, and it’s easy to say yes”. He said it is something that is within the control of the government which they can meet at a roundtable and discuss.

“The request is before the government and the cabinet is processing it and policy will give approval on that but we will state it whether 10 years or 12 years into the lifespan of the mine. Those funds are for projects in the mine project area and the province’s infrastructure building,” Mr Marape said. “For Wafi-Golpu Mine, your government will make its commitment of (K1.2 billion), whether tax credit or infrastructure development grant. We will honour it but I ask that it is not misused but put into proper developments such as hospitals, roads, housing and other development from the mine area to the impacted communities in the outfall.”

### **Morobe will get 40pc: PM**

April 28, 2022, The National [Business](#)



PRIME Minister James Marape has assured landowners, provincial government and the people of Morobe that the Government will give 40 per cent from its share of the Wafi-Golpu project to the province. He said whatever the results of negotiations between the developer, the Government, and the landowners, the landowners would receive what they had asked for which is 40 per cent of the State’s share. “With whatever that we will get, 40 per cent will be given to Morobe where the money will then be split 50-50 between the Morobe government and the landowners,” Marape said during a consultative forum on Wafi-Golpu mine in Lae yesterday. Marape said the Morobe government also asked for K1.2 billion in infrastructure development grants (IDG) and the Government had agreed and would pay this over a number of years. He urged them to use the money well. “Don’t misuse such money.

“We will agree during the development forum and fund important projects over a period of time,” Marape said. The prime minister also called on the stakeholders to tell the Government what development projects they wanted done and the money would be put into them. “In any projects happening in the country now, we want 50 to 60 per cent of total benefits and we are negotiating this.” Marape said the Government was doing its best to ensure the people benefited fully from the development of their resources. He said K50 million has been given to districts who will be affected by the mining to prepare for the mine operations and another K50 million is still with the government as IDG. Morobe Governor Ginson Saonu said the developer, provincial government and the Government must all work together to get the mine going. “We had so much talk over the years,” Saonu

said. “We had some much talks over the years and we expect greater ownership and participation in this project.” He told Marape that they (provincial government) will not stand in the Government’s way regarding Wafi-Golpu but all his government want is additional equity.

### **Extractive industry launches country’s first tradesmen union**

April 27, 2022, The National

THE country’s first allied worker’s union for tradesmen in the mining, oil, gas and petroleum industries was officially launched on Friday at the Sir John Guise Stadium in Port Moresby. The launch was attended by president Mali Yapu and branch executives from seven of the country’s largest mining projects. General-secretary Benjamin Yalo said this was the first worker’s union for tradesmen, an often forgotten or under-represented group in Papua New Guinea. The allied tradesmen mining, construction, oil, gas and petroleum industry sector workforce union, is a subsidiary of the Papua New Guinea Trade Union Congress, containing members from the 13 mining projects in the country. Working in coordination with the mining, construction, oil, gas and petroleum projects through an industrial relations system, branch executives ensure that workers’ concerns are raised in a recognised forum.

The seven branch executives represented Lihir Newcrest Mining, Simberi Gold Company, Porgera Joint Venture, K92 Mining, Ok Tedi Mining Ltd, Harmony Gold Mining Company Ltd and Kutubu Oil Search. Founded in April last year, they were officially gazetted last month and provide benefits for members. “We provide membership legal fees, a family welfare fund, life insurance and savings and loan memberships,” he said. “For the past 46 years, the blue collar workforce has not been represented by any trade union and so this is the first of its kind, representing all workers across the country in the mining, oil and gas sector.” The union will be able to provide much needed social services to the workers and their families that the mines and the government has not yet offered.

### **Local company given 10-year licence to mine at Tolukuma**

By SHIRLEY MAULUDU, April 27, 2022, The National Business



Howard Lole

LOCALLY-owned company, Lole Mining Limited, has been given a 10-year mining licence for the Tolukuma project in Central, according to the company. Founder and executive director Howard Lole said he hoped to make Lole a premier mining company in the country. “I incorporated Lole Mining two years ago with an ambitious dream to make it a premier mining company in PNG one day in the future,” Lole said. The Hela man thanked Mining Minister Johnson Tuke and the Government for granting the 10-year extension for ML 104 to Lole Mining Ltd. “Your decision to grant a hard rock mining lease to a parent mining company that is domiciled in PNG is a first and history in the making,” he said. The landowners of Tolukuma mine were also acknowledged for accepting the company as a new member of their community.

Lole added the Government’s Connect PNG policy which included the road from Baikoidu to Tolukuma would benefit people from Goilala district. “The Tolukuma gold mine also needs this access road to improve the economics of the mining project and of course will unleash the economic

potential of this region,” Lole said. “We will not have come this far had we not embraced this spirit of collaboration between PNG and our foreign investors, partners and technical and professional team. “I believe that we have a future and a great opportunity to make Lole Mining a premier mining company in PNG in the future, going forward with its current portfolio of one mining lease (ML 104) and nine exploration licenses and applications, totaling 10 tenements including the tenements secured through the recent takeover of Frontier Copper PNG.”

### **How does gold get exported’ from a gold mine?**

Post-Courier, April 26, 2022

<https://postcourier.com.pg/how-does-gold-get-exported-from-a-gold-mine/>

### **Porgera shareholders ink deal**

April 25, 2022, The National Business

A NEW shareholders’ agreement has been signed by Barrick Niugini Limited (BNL) and the Government’s nominee, Kumul Minerals (Porgera) Limited. The shareholders’ agreement now only awaits the signature of Mineral Resources Enga (MRE) for the document to take effect, which would clear the way for the incorporation of a new Porgera joint venture company and the application for a new special mining lease, a condition of the Porgera mine’s reopening. PNG parties (state and landowners) will own the majority share of 51 per cent while BNL will have a 49 per cent stake in the gold mine. Landowners will also receive an increased equity.

Barrick president and chief executive Mark Bristow said Barrick remained committed to an early restart of the mine and called on all stakeholders, especially the landowners, to work together to make it happen. Bristow said Barrick had continued to invest in care and maintenance with its capital outlay at about US\$312 million (over K1bil) to date. “We recently completed our strategic planning meetings with the mine’s key leadership team, comprising 80 per cent PNG nationals, and we look forward to welcoming back more than 2,000 local miners as we ramp up to full production,” he said.

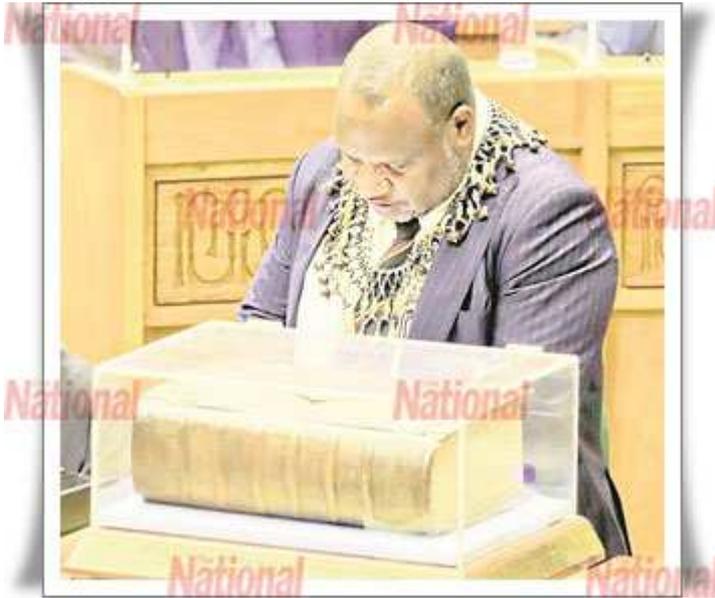
### **Barrick Niugini welcomes passing of legislations**

April 25, 2022, The National Business

BARRICK Niugini Limited (BNL) has welcomed Parliament’s passing of necessary legislation to facilitate the reopening of the Porgera gold mine in Enga. According to a BNL statement, the immediate priority was for the Mineral Resources Enga (MRE) to sign the shareholders’ agreement. Some of the legislations passed include the new Porgera amendments to GST (Goods and Services Tax) Act, Income Tax Act, Mining Act, Motor Vehicle Insurance Act and Stamp Duty Tax. “BNL welcomes Parliament’s passing of necessary legislation to facilitate the restart of the Porgera mine,” the miner said. “The immediate priority is for Mineral Resources Enga (MRE) to sign the shareholders’ agreement, which Kumul and BNL have already signed. “Once that is done, the new project company can be incorporated, a new SML (special mining lease) application filed, the Development Forum convened, and other regulatory steps completed so that Porgera can recommence operations as soon as possible and start delivering benefits to all stakeholders once again.”

## Keeping environment safe vital: PM

April 22, 2022, The National



Prime Minister James Marape during the Parliament session yesterday.

PRIME Minister James Marape says the country will keep the environment safe for investors to operate in. He yesterday tabled 11 amendments to legislations related to the P'nyang LNG project which were all passed. The amendments were for the Customs Tariff Act, Excise Tariff Act, Goods and Services Tax, Income Tax, Insurance Act, Income Tax Dividends Withholding Tax and Interest Withholding Act, Konabada Petroleum Park Act, Oil and Gas Act, Price Regulation Act, Resource Contracts Fiscal Stabilisation Act and Stamp Duties Act. Marape said they included changes and insertions of the P'nyang LNG project into the law that would enable the project to progress. The construction is expected to start next year. "P'nyang is our signature project and we have to do it right," he said. "The PNG LNG Project is sustaining our country now.

"P'nyang is a K13 billion project. "Papua LNG is a K20 billion project." Marape said the P'nyang and Papua LNG projects would "really grow the economy". He assured the people of Western in the Star Mountains and the Oslobip areas that a development forum would be conducted to address their needs "This is what we have to do at the national level, for the benefits that we have secured from 59 to 63 per cent," he said. "We'll go to the development forum where landowners' benefits will be discussed, including infrastructure grants, business development and others that would be granted to the P'nyang landowners. "We have a four-year lead period from now till 2027/2028." Marape said the petroleum development licence would not be granted until they went into feed "so that we have enough lead time to try our very best to please the landowners in the star mountains".

## Export revenue for mining high

Post-Courier, April 22, 2022

Export revenue for Alluvial Gold Mining rose to K640million in 2021 from K300million says the MRA boss. Mineral Resources Authority managing director Jerry Garry said this during the farewell of Mining Minister Johnson Tuke yesterday in Port Moresby. Mr Garry said since Mining Minister Johnson Tuke took office the industry's fatality rate have decreased from 10 to 6 per annum to 0 in 2017. "In 2019, the highest total mineral export revenue was K16.4bn from the mining sector from K11.2bn previously." "The mining sector is really compatible to LNG who came on stream in 2014 in terms of export revenue." "It is the biggest industry in the country," he said.

MR Garry said the alluvial gold sector's export revenue then was below K300million and just last year the export revenue from the sector grows to K640million. "We assessed close to US13bn worth of projects." Minister Tuke have started the process of getting Wafi off the ground, Frieda River comes on stream and from the day of commencement of these mines to 2050 we will see a massive growth in our metal exports. Gold will be over 2billion ounces per annum, reaching around 5million ounces and copper for the first time will reach 700,000 tonnes per annum, averaging around 500,000 tonnes per annum compared to around 100 to 180, 000 tonnes produced by Ok Tedi that is a significant increase in the years ahead," he said.

### Local firm set for mining

By SHIRLEY MAULUDU, April 22, 2022, The National Business



LOCALLY owned, Lole Mining Limited has been granted a mining lease (ML) for the Tolukuma mine in Central. The mining lease (ML 104) was presented by the Mineral Resources Authority (MRA) to the company executives yesterday. Managing director Iain MacPherson said the company would invest about US\$250 million (K860.07mil) to restart the mine. "The next step is to put in place the reopening plan," MacPherson said. "It's quite a complicated plan with a number of components. That is getting the infrastructure sorted out, which is very important, with the access road which we are getting strong support for. And then progressive redevelopment of the mine back to its original capacity over a period of time. And then with parallel with that, exploration for a much larger licence, (to mine) a much larger asset which is undoubtedly there." MacPherson said rebuilding the mine would cost about US\$220mil (about K756mil) -US\$250mil (about K860mil).

"It's a massive investment. Of course some of that is there, we'll do quite a bit of work to get it back to where it was. "And we'll only know the full scale of investment once we've dewatered the mine and assessed the tailing alternative. That's the major part of the project." MacPherson said Tolukuma remained one of the great mineralised structures in the country and had "a massive scale of potential". He said at the height of Tolukuma's production, it was producing about 60,000 ounces of gold annually. "We are going to get back to that capacity over the next couple of years. But what we are really looking at in our vision is a much larger operation, very similar to Kainantu (gold mine in Eastern Highlands). "We believe maybe around 160,000 ounces or 200,000 ounces a year at some point in the future. "The mine is flooded, we have to create new tunnels to the bottom of the mine and help drain it and make sure it stays drained. That in itself is an 18-month to two-year project." He said the mining licence was for 10 years beginning August. "After 10 years and we find

more resources then we will reapply for the licence. “I believe that there is a mine life of about 40 years or more, based on a broader structure.”

### **Deep sea mining awareness in school**

Post-Courier, April 20, 2022

An awareness on deep sea tailings placement was conducted in Taleng Primary School on Karkar Island in Madang Province by RamuNiCo management on Monday. The awareness was conducted to teachers and board members of Taleng Primary School from wards 8 to 11 on the island, who expressed delight of the program. This DSTP awareness is a quarterly program which the nickel/cobalt mine developer Ramu NiCo Management (MCC) Limited along with other stakeholders including Madang provincial government, Conservation and Environment Protection Authority (CEPA) and the Mineral Resources Authority (MRA) conducts in compliance to a National Court order to better inform coastal and island villages and communities in Madang Province on the importance of DSTP.

Taleng Primary School headmaster Albert Palon, on behalf of board thank the DSTP team and the police personal who accompanied the DSTP team during the visit to the school. Mr Palon said although it was an odd day on Monday since students were on their first-term school holiday the visit by the DSTP team was very welcoming and the teachers and the BOM were very appreciative of the visit. He said the information the DSTP team delivered was very vital and it was important that the team was there deliver the information which the teachers would impart to their students who would then spread it to their parents and the wider community. Ramu NiCo (MCC) Health, Safety and Environment Superintendent thanked the board of members and teachers for allowing the awareness at their institution. He said the aim of the team was to deliver the awareness to the students who are future leaders of this nation.

### **Woman allegedly involved in K15mil transfer deal facing trial**

By BEVERLY PETER, April 14, 2022, The National

THE Waigani Committal Court has ruled that there is sufficient evidence to commit to trial a woman allegedly involved in facilitating the transfer of K15 million belonging to the people Western to a law firm. Magistrate Danny Wakikura in his ruling on the evidence against Tabitha Malken, of Wosera-Gawi’s Jambitanget village, East Sepik, yesterday, said the case was drawn from a larger case. “It appears that the case branched out from a case in question of money belonging to the people of Western,” he said. “What is before me is enough evidence for her to stand trial in the National Court for dealing with money that is questionable.” Magistrate Wakikura adjourned the case to April 27 for Malken to give a submission on the Court’s decision.

He said he would make a decision on whether to commit Malken to the National Court after hearing the submission. Malken was charged with 17 counts of misappropriation, 16 counts of false pretence, 18 counts of dealing with criminal property and two counts of conspiracy for allegedly being involved in facilitating the transfer of the funds. Police alleged that between Aug 1 and Aug 30, 2018, Malken while employed with Young and Williams Lawyers communicated with the Australia and New Zealand (ANZ) Bank to facilitate a transfer of K15 million from Western People’s Dividend trust account at the bank to Young and Williams Lawyers trust account with Bank South Pacific Financial Group Ltd. Magistrate Wakikura said the evidence on the police file in relation to the charges of misappropriation, dealing with criminal property of money that was questionable and conspiring appeared to be sufficient.

## **Decision on equity next month: Marape**

April 14, 2022, The National

PRIME Minister James Marape says a final decision on the equity arrangement for the Porgera gold mine landowners in Enga will be decided during a development forum next month. He told The National that in principle, 15 per cent would be split between the provincial government and the landowners. The State is working with the Mineral Resources Enga and landowners to reach an understanding. "In the big picture, 15 per cent equity is maintained for the province and the landowners," Marape said. "In terms of the equity split, we all understand that the provincial government and the landowner will have a split on that 15 per cent." He said 10 per cent was actually meant for the landowners. "So I think it's just the finer details and we agreeing on the principles before we go to the forum."

## **Call for strong action against deep sea mining in Pacific**

Radio New Zealand on 14 April 2022

The head of the Pacific Parliamentarians' Alliance on Deep Sea Mining says a strong position by regional leaders is crucial for action against deep sea mining in the Pacific. The new Alliance, launched on Wednesday, is calling on Pacific and world leaders to oppose and ban all plans to mine the ocean floors for minerals.



The desire to explore the deep ocean for minerals, such as copper, cobalt, and manganese is not new, but only now are companies pushing for commercial-scale mining. Photo: 360info

The group's inaugural chair and Vanuatu's opposition leader Ralph Regenvanu said their aim now is to work towards a united voice on the issue. He said currently some individual nations have declared that they will move ahead with deep sea mining projects while others have decided against it. "We are trying now to reach out to particularly Cooks and Nauru as well as of course Tuvalu and Tonga to see if we can talk to the governments there, talk to the legislators there, even any members of the opposition. What we are trying to promote is a regional approach to deep sea mining, a regional governance mechanism, regional regulations," Regenvanu said.

## **Tuvalu reverses controversial decision to sponsor seabed mining**

By Prianka Srinivasan on Pacific Beat, ABC, 14 April 2022

Tuvalu's government has rescinded its support to explore deep sea mining in the country's waters. The government had sponsored mining firm Circular Metals Tuvalu last December to apply for an exploration permit with the International Seabed Authority. But Foreign Minister Simon Kofe said the government has now reversed the sponsorship. "After concerns by the by the government as well as within particularly the foreign ministry, we've had to rescind that support that we had initially given last year," Mr Kofe said. Mr Kofe said the seabed mining sponsorship was a result of legislation passed by the former government, which allowed a seabed minerals authority to support Circular Metals Tuvalu's bid. But, the minister said his government was now "standing firm" in its opposition to the activity. "We think that it's the best way to approach the seabed mining issue, particularly in the areas beyond the jurisdiction of Tuvalu is not just to to ignore it," Mr Kofe said. "I think the part that we can play is to ensure that we set very high standards or the environmental issues that are involved in requirements, which could then hopefully discourage companies from from pursuing it, because it'll be very costly."

### **Solomon Island's treaty with China 'concerning'**

Minister Kofe said the Tuvalu government was against a proposed security treaty between Solomon Islands and China, which could establish a Chinese military presence in the Pacific. "We hope it doesn't go ahead," Minister Kofe said. "But, at the same time, we don't want the Pacific to be a pawn in the geopolitics of the region." Tuvalu is one of the few Pacific countries that maintains a diplomatic relationship with Taiwan. Solomon Islands had a similar relationship with Taiwan — which is considered a rogue breakaway province by Beijing — but in 2019 the government severed these ties in favour of China. "It's concerning to us, particularly because of our affiliation with with Taiwan," Mr Kofe said. "But having said that, we do respect the sovereignty of Solomon Islands and the sovereign decision to enter into arrangements with China."

### **Porgera to include Strickland communities in deal**

April 13, 2022, The National

COMMUNITIES in West Sepik's Telefomin district affected by environmental pollution caused by tailings from the Porgera gold mine in Enga will be included in the mine's benefit sharing agreement, local MP Solan Mirisim says. He said the recognised group to represent the affected people in the new Porgera deal was the Strickland Amba Duban Association Inc (Sada). Mirisim, who is Forests Minister, said he would work with Sada and the Mineral Resources Authority (MRA) to ensure they were included in the riverine mine affected areas. He said Sada represented 10 wards in Oksapmin local level government (LLG) including Wara Nene, Sisimin, Trangap, Oksapmin station, Gawa, Duban, Kunanap, Daburap, Bimin and Sungtem Gapka. Mirisim said people living along the Strickland river basin had been affected by the disposal of mine waste from Porgera mine for 30 years.

Since 1992, Barrick Gold has released tailings into the Laigap River which runs through Kopiago in Hela and on to Oksapmin in Telefomin. Mirisim said he had worked with the affected communities to prepare their position paper which had been submitted to Mineral Resources Authority (MRA). He said MRA would work only with affected landowners who were recognised by the district development authority and the Oksapmin LLG. Mirisim said his people had been affected by environmental impacts without proper compensation or benefits to mitigate the effects.

## Landowners block access to mine

By GLORIA BAUAI, April 13, 2022, The National Business



Landowners installing a banner and chain locking the access gate to Hidden Valley mine at Manki Tower. — Picture supplied

FRUSTRATED landowners at Hidden Valley mine in Bulolo, Morobe say they have blocked off the main access road into the mine site over non-payment of royalties. A spokesman said on Friday that landowners from the three impacted villages of Nauti, Kuembu and Winima mobilised and locked the gate at Manki Tower. Landowners claimed they had not received their royalties for the last three months and the Future Generation Funds (FGF) for the last 17 years. FGF, as per the 2005 memorandum of agreement, between the mine and landowners is a trust fund which will provide for the education of children from the three villages.

Earlier last month, the Nakuwi association which represents the landowner groups, went on record to state that developer Harmony Gold through its subsidiary Morobe Consolidated Goldfields was yet to release over K1 million belonging to this trust fund, as authorised by the Mineral Resources Authority (MRA). According to the spokesman, this long wait had frustrated the landowners leading to the blockade on Friday. While court proceedings against the developer for allegedly withholding FGF payments have started, landowners are demanding an explanation for the non-payment of royalty since January this year. The landowners are expected to present a signed petition containing their concerns and demands to Harmony, Mineral Resources Authority, the landowner association and Morobe government. When contacted for comment, the company said it would release a statement.

## Probe into spill incident ‘illegal’

April 13, 2022, The National Business

ENVIRONMENT and Conservation Minister Wera Mori claims that an “illegal” investigation is being carried out into the “spill incident” at the Basamuk mine in Madang. Mori said an initial investigation by a team commissioned by the National Executive Council on the 2019 incident had been completed and a report prepared. He said: “We had a spillage at Basamuk Bay in Ramu. As a consequence of a decision by National Executive Council, a team of eminent PNG scientists was assembled to conduct an investigation into the impact of the spillage that took place in August.” He said after months of investigation, a report was prepared on the findings at Basamuk and the surrounding areas.

“However, I am appalled that there is a purported investigation about to commence in Madang,” he said. “I call upon people of Madang, government of Madang and of course Ramu Nico not to allow this investigation to go ahead because the formally-sanctioned investigation as commissioned by the NEC had already taken place and recorded.” He said the new investigation had not been formally sanctioned the Government. I would like to know who funded it,” he said. “The Department of Treasury owes CEPA K2 million to K3 million by virtue of the fact that we spent our own money (on the initial investigation) within our own operations.

### **New political alliance against deep-sea mining set up**

*A new political alliance against deep-sea mining in the Pacific will be launched on Wednesday to coincide with the first day of the 7th Our Ocean Conference in Palau.*

Radio New Zealand on 12 April 2022



Ralph Regenvanu, leader of the opposition in Vanuatu. Photo: Hilaire Bule

The Pacific Parliamentarians' Alliance on Deep Sea Mining - or PPADSM - will be a collective of Pacific leaders who share strong concerns about "large corporations" and "powerful governments" plans to exploit the ocean floor for minerals. The Alliance will be chaired by Vanuatu's opposition leader Ralph Regenvanu and include MPs from Aotearoa New Zealand, the Autonomous Region of Bougainville, Papua New Guinea, Guam, Fiji, French Polynesia, the Solomon Islands, Tuvalu, and Palau. They'll also release "Our Ocean Call" - a statement to protect the Pacific Ocean. Regenvanu said as leaders and custodians of the Pacific Ocean they're obliged to preserve the ocean for the sake of future generations and for all living and non-living things. The Alliance will be launched virtually on Wednesday morning.

***The Pacific Parliamentarians' Alliance on Deep Sea Mining (PPADSM) is a collective of Pacific leaders who share the strong concern to protect the ocean in light of the rush by large corporations, backed by powerful governments to mine the ocean floor for minerals before regulatory governance structures and measures are put in place.***

See: <https://www.pacificblueline.org/pacificparliamentarians?fbclid=IwAR2xBhSyCp7zq3bRHyl8HXWVYlxAwQ77XE0Jdi50hKXy9TUiMT2Nn-O-lfQ>

## **The National denies defaming CJ, ex-employees**

April 11, 2022, The National

THE National has denied defaming two former employees of Young and Williams Lawyers as well as the chief justice in a report on alleged fraud involving millions of kina belonging to communities in Western four years ago. It said that its report headlined “Salika to know her fate” on April 1 was based on information or statements filed in the Waigani District Court. Young and Williams, acting for their former lawyer Gloria Salika, claimed the same day that the article had defamed her and demanded a retraction and apology. Similar letters followed shortly, also accusing *The National* of defaming Salika’s co-accused Tabitha Malken and her father, Chief Justice Sir Gibbs Salika. Malken, of East Sepik, was a legal assistant to Gloria Salika when they were both working at the legal firm. She was arrested in September and charged with 17 counts of misappropriation, 18 counts of money laundering, 16 counts of false pretence and two counts of conspiracy.

Salika was arrested a few days later and charged with 26 counts of misappropriation, 27 counts of false pretence, 28 counts of money laundering and two counts of conspiracy to defraud. Their arrests came about two years after police started investigating a complaint by North Fly MP James Donald that some K268 million had been misappropriated by the Ok Tedi Fly Development Foundation Ltd and Young and Williams. On April 1, *The National* reported that Magistrate Danny Wakikura would decide on April 20 whether to commit Gloria Salika for trial. In the letter of demand, lawyer Greg Sheppard claimed *The National* had “deceitfully constructed” the article and published it to increase sales. He said the article was “false, highly defamatory, and a slur” on the chief justice’s reputation, amongst other things. *The National* maintained that the case was of public interest and had reported it based on information provided by police investigators in their court filings and court proceedings.

## **Marape says development forum for Porgera set**

April 11, 2022, The National Business

PRIME Minister James Marape says the development forum for the new Porgera mine will be held soon to discuss landowners benefit sharing. Marape said in Port Moresby on Thursday that the Government remained committed to fixing all the legacy issues in Porgera. He said the K100 million business development grant was in place to help restart business activities in Porgera. “For the landowners, there is a benefit sharing forum or what we call the development forum is coming up very soon, the national government has made substantial commitment to clean up on the legacy issues we carry in Porgera for so many years.

“The retirement of full commitment to the MRE (Mineral Resources Enga) will be dispense with, that was K100 million that we year marked for them, and a business development grant of another K100 million to be brought into that bigger picture when we come to the development forum so that all businesses lost in the shutdown period and in preparation for re-startup, the local development forum will impress upon us on where this distribution will go. “As well as government has factored in quite a substantial package — K700 million, all in all for a seven year period, we want to really fix those legacy issues,” he said.

Mongabay Series: [Oceans](#)

## **‘A huge mistake’: Concerns rise as deep-sea mining negotiations progress**

by Elizabeth Claire Alberts, Mongabay on 8 April 2022

- *The International Seabed Authority (ISA), the U.N.-affiliated organization tasked with managing deep-sea mining activities, recently held a series of meetings to continue negotiating the development of mining regulations.*
- *Deep-sea mining may start as early as 2023 after Nauru triggered a two-year rule embedded in the U.N. Convention on the Law of the Sea that could essentially allow its sponsored company to start mining with whatever regulations are currently in place.*
- *Many states are eager to finalize a set of regulations over the next 15 months that would determine how mining can proceed in the deep sea.*
- *But other states and delegates have noted the lack of scientific knowledge around deep-sea mining, the absence of a financial compensation plan in the event of environmental damage, and ongoing transparency issues in the ISA — and the unlikelihood of finalizing regulatory measures in a short period of time.*

With a four-page [letter](#), the Pacific island nation of Nauru pushed the world closer to a reality in which large-scale mining doesn't just take place on land, but also in the open ocean. In July 2021, President Lionel Aingimea wrote to the International Seabed Authority (ISA), the U.N.-affiliated organization tasked with managing deep-sea mining activities, to say it intended to make use of a rule embedded in the [U.N. Convention on the Law of the Sea](#) (UNCLOS) that could [jump-start seabed mining](#) in two years.

Since then, the ISA, which is responsible for protecting the ocean while encouraging deep-sea mining development, has been scrambling to come up with regulations that would determine how mining can proceed in the deep sea. At meetings that [took place in December 2021](#), delegates debated how to push forward with these regulations, currently in [draft form](#), and agreed to schedule a series of additional meetings to accelerate negotiations. At the latest meetings, which concluded last week in Kingston, Jamaica, delegates continued to discuss mining regulations, eyeing the goal of finalizing regulations by July 2023 so that seabed mining can proceed.

Observers at the recent meetings reported that while many states seemed eager to push ahead, there was also a growing chorus of concerns. For instance, many states and delegates noted that there wasn't enough science to determine the full impacts of deep-sea mining, and there isn't currently a financial plan in place to [compensate for environmental loss](#). The observers said there were also increasing worries about the lack of transparency within the ISA as it steers blindfolded toward mining in a part of the ocean we know very little about.

### **‘Huge portions of our planet’**

Since the rise of oceanography in the 1870s, Western scientists have been probing the deep ocean with trawling nets, acoustic devices, and submersibles, trying to unlock its secrets. But even after about 150 years of science, we still know remarkably little about the abyssal depths of the sea. Recent expeditions to the Clarion Clipperton Zone (CCZ), a key region earmarked for mining exploitation, [found that 70-90% of collected species](#) were completely new to science. Another [study](#) estimated that we only know about one-third of all multi-cell organisms that live on the seafloor. “Unfortunately, much less than 1% of the deep-sea floor has ever been seen by human eyes or with the camera,” Diva J. Amon, director of Trinidad-and-Tobago-based SpeSeas, a marine conservation nonprofit, told Mongabay. “That means that for huge portions of our planet, we cannot answer that extremely basic question of what lives there, much less questions about how it functions and the role that it plays related to us and the planet’s habitability and also about how it might be impacted.”



An aerial view of Nauru Island. Image by the U.S. Department of Energy Atmospheric Radiation Measurement (ARM) via [Flickr \(CC BY-NC-SA 2.0\)](#).

Yet mining companies and their sponsoring states have set their sights on three deep-sea environments: abyssal plains, seamounts, and hydrothermal vents, which are rich in minerals like manganese, nickel, copper, cobalt and zinc. Much of this interest is focused on the abyssal plains of the CCZ, a 4.5-million-square-kilometer (1.7-million-square-mile) area that fans out between Hawai‘i and Mexico, where there are substantial deposits of polymetallic nodules — potato-shaped rocks that contain high concentrations of these sought-after minerals. Those in favor of mining say it’s necessary to extract minerals from the deep sea in order to fuel the global shift toward renewable technologies such as electric cars, even though [not all green technologies](#) require these minerals. In Nauru’s letter to the ISA, the president referenced the Intergovernmental Panel on Climate Change’s [special report on the impacts of global warming of 1.5° Celsius \(2.7° Fahrenheit\)](#). He suggested that deep-sea mining could help large economies like the United States and the European Union “overhaul and decarbonise their energy and transportation systems,” while supporting Nauru’s own economy against the increasing threat of climate change, to which the island nation is particularly vulnerable. Pro-mining lobbyists have also [suggested](#) that it has become even more necessary to mine the seabed due to the Russian invasion of Ukraine disrupting mineral supply chains.

While mining companies like The Metals Company (TMC), which is sponsored by Nauru, have provided assurances that they will work to ensure minimal environmental impact, others say that mining could cause an unprecedented amount of harm not only to the mining sites themselves, but also to a wider area of the ocean. According to a new [paper](#) led by Amon, mining 500,000 km<sup>2</sup> (193,000 mi<sup>2</sup>) of the CCZ would actually impact an area three times larger — the combined size of Spain, Portugal, France, Belgium and Germany — with noise and sediment plumes. Not only that, but the three-dimensional nature of deep-sea mining operations in the CCZ means the impact could extend into the water column, disrupting 6.4 million cubic kilometers (1.5 million cubic miles), which is three times the volume of the Himalaya Mountains, according to the paper. In another recent study published in [Marine Policy](#), Amon and 30 other authors say there are still many scientific gaps in understanding the deep sea and the potential impacts of mining, leading them to conclude

that mining cannot go ahead until these gaps are filled. “When you mine the seafloor, do we have enough information on how the sediment plumes are going to impact?” Peter Edwards, a co-author of the *Marine Policy* paper and an officer with Pew Charitable Trusts’ conservation science program, told Mongabay. “Is there enough information on the water noise impacts? All of these are unclear.”



A jellyfish seen during a Deepwater Exploration by NOAA in 2016 at a depth of ~3,700 meters. Image by NOAA.

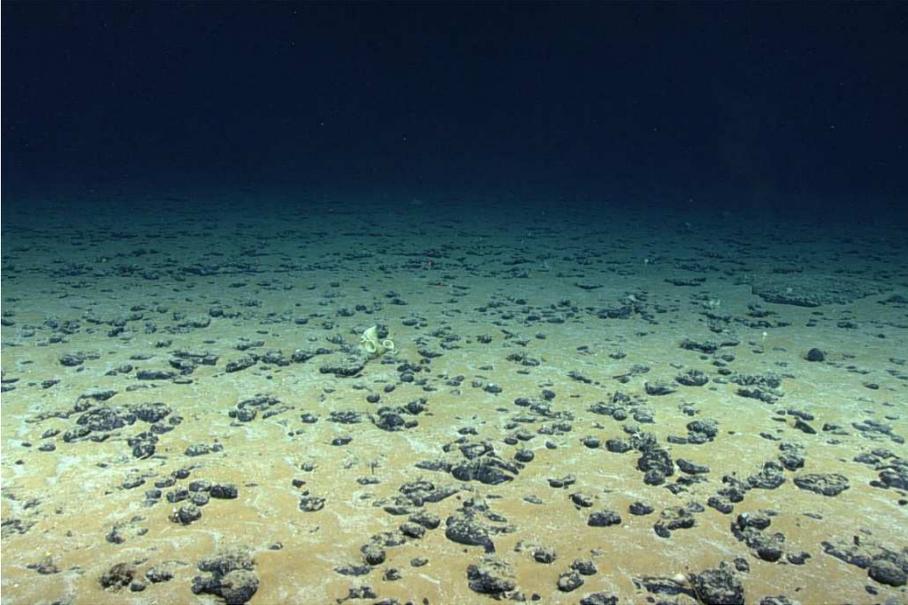
### **Lack of science, lack of transparency**

These scientific gaps were brought up in a number of different contexts throughout the recent ISA meetings, said Matt Gianni, another co-author of the *Marine Policy* paper, adviser to the Deep Sea Conservation Coalition (DSCC), and virtual attendee at the recent ISA meetings. “There was a greater recognition, albeit not on the part of a majority of countries, but at least a number of countries were more outspoken about the gaps in the scientific knowledge that ... exists over what the impacts will be of mining — the extent of the impacts, the scope of the impacts, and so forth,” Gianni told Mongabay. One way these knowledge gaps became apparent was when discussions turned to financial liability. In other words, who would pay for the damage caused to the environment if things go wrong? And how does one measure potential damage? “In the financial mechanism that was being proposed ... there was no consideration of environmental damage and environmental loss,” said Amon, who attended online the meetings to support the Deep Ocean Stewardship Initiative (DOSI) delegation. A working group within the ISA that had been previously set up to discuss the financial aspects of deep-sea mining ultimately agreed to request a study on environmental financial loss, she added.

“It does seem to be baby steps forward,” Amon said. “But again, what is clear is the sheer amount of work that needs to be undertaken in order to get these regulations and the standards and guidelines finished in the time [which] in my opinion, still isn’t possible, never was possible, and is even less possible to get it done on the time frame on which the secretariat would like it to be done.” Gianni and Amon both noted that states also raised a number of issues around the ISA’s lack of transparency, including how documents were prepared following consultations, and why the ISA withheld crucial pieces of information regarding mining licenses.

While many countries do not appear to support deep-sea mining going ahead in 2023, no country has publicly called for a complete moratorium at the ISA meetings, said Gianni. However, at the IUCN World Congress held in Marseille, France, last year, 88 governments and government agencies, as well as 577 NGOs and civil society organizations, [voted to put a stop](#) to deep-sea mining until more information is gathered to understand if it is a responsible decision. This position is also supported by [622 scientists and policy experts](#). “Unfortunately, most of the countries are still playing along with the idea that they have to do this, and they’re going to try to adopt these regulations

by July 2023,” Gianni said. “And that would be a huge mistake.” The two-year rule within UNCLOS does not necessarily obligate the ISA to adopt regulations within two years, but it does indicate that the ISA *can* adopt the regulations at that time — and current negotiations seem to be heading this direction. Additionally, if Nauru applies for an exploitation license on behalf of TMC at the end of the two years, the ISA could choose to follow the procedure laid out by UNCLOS, and “provisionally” approve the license with whatever rules are in place, even if they haven’t been finalized.



A Deep-sea Exploration by NOAA. The nodules seen here and strewn across the seafloor were deposited here millions of years ago and grow about 2 millimeters every million years. Image by [NOAA](#).

### ‘A whole new problem’

As negotiations at the ISA stumble along, companies are already firing up their engines, preparing to start mining the deep sea in the not-too-distant future. In April 2021, Belgian company Global Sea Mineral Resources (GSR) tested its 27-ton mining robot, Patania II, in the CCZ, which at one point became [stranded](#) as it attempted to collect polymetallic nodules. TMC also recently [announced](#) that it had just successfully finished testing its nodule collector vehicle in the North Sea, and that trials would soon start in the CCZ. “The biggest threat to the oceans is climate change,” TMC says on its [website](#). “The top priority for the entire planet — including the oceans — should be achieving net-zero emissions.” According to the company, deep-sea mining can support this goal by providing the necessary minerals for renewable technologies.

Yet Gianni said he finds it “almost immoral” to forge ahead with deep-sea mining in the midst of the climate crisis rather than look for alternative materials to build renewable energy technologies. “[It would] create a whole new problem trying to solve another problem,” he said. “It would be irresponsible of the countries of the world to allow this to happen, whether they’re actively deciding or not.” He added the next set of ISA meetings scheduled for July 2022 will be “critical” in determining the direction of deep-sea mining. “The countries that [support] a moratorium are going to have to try to begin engineering a major shift in the direction that these negotiations are taking, and that the ISA overall is taking,” he said.

**Banner image:** A new species from a new order of Cnidaria collected at 4,100 meters in the Clarion-Clipperton Fracture Zone (CCZ) that lives on sponge stalks attached to nodules. Image courtesy of Craig Smith and Diva Amon, ABYSSLINE Project.

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### 3,000-plus to work when mine reopens

April 8, 2022, The National



MORE than 3,000 people are expected to be employed when the Porgera mine is reopened, following the signing of stakeholders' agreements yesterday. "Over the next couple of weeks, the company will hire 3,100 people, most of them Papua New Guineans, (who) will head back to Porgera valley, open the gate and start digging the ground," State negotiation team chairman Dairi Vele said. "We are hoping that during June, July, August, they can announce that the first gold has been processed." The cost of restarting the Porgera mine is around US\$300 million (about K1.052 billion), according to Barrick Niugini Ltd (BNL) president and chief executive officer Mark Bristow. Vele added that the signing of the agreement in Port Moresby "signified the reopening of the project".

"The main one is the shareholders' agreement, that is, the coming together to build the company. "That's not for the Government. "That's for Kumul Minerals Holdings Ltd (KMHL), the landowners and Barrick. "The company is born today – it is the beginning of the mine." Vele said the company should be registered in the next 48 hours. "The company will be owned by Kumul with 36 per cent, landowners 15 per cent, and Barrick 49 per cent," he said. But the country will get 53 per cent of the benefits and Barrick 47 per cent. KMHL managing director Dr John Kuwimb said the 51 per cent Government stake in the new Porgera company was made up of 15 per cent for the landowners and the Enga government, and 36 per cent for Kumul Minerals. He said Barrick and the State would have four directors each. "We will work to run Porgera and this company that we are incorporating will appoint Barrick as the operator," he said.

## **Porgera: State, partners sign documents for project equity**

April 8, 2022, The National

EFFORTS to reopen the multi-million Kina Porgera mine took a step closer to completion following the signing of two documents by the State and project partners. Prime Minister James Marape said they were the Deed of Amendment to the Porgera Project Commencement Agreement (PPCA) and the Deed of Escrow to park 10 per cent of the project equity. The PPCA was deemed concluded when the Mineral Resources Enga signed on Feb 3. It is the central document designed to deal more specifically with what was set out in the framework agreement. He said it dealt with legacy liability issues, taxation issues, licence issues, the establishment of the incorporated joint ventures, benefit flows, landowner benefits, project financing, mine closure and reclamation, fiscal and regulatory stability issues, and other issues and legal terms supporting the recommencement of the mine. “We needed to ensure that all the important responsibilities and commitments by stakeholders are captured in very clear terms under this agreement,” Marape said.

“Matters that were overlooked are now captured in the deed.” Marape thanked Barrick and its chief executive officer Mark Bristow for allowing the state and its stakeholders to ensure that any matters overlooked in the original PPCA are captured in the amendment deed. Shares in the new company will be: Barrick Gold and Zijin 49 per cent, Kumul Minerals Holdings Ltd 36 per cent, Mineral Resources Enga, 5 per cent, and Porgera landowners 10 per cent. They agreed that until such time a determination is reached by the landowners as to how the 10 per cent is apportioned, it will be held in escrow. “This situation was specifically contemplated by the PPCA which sets out the provisions for the establishment of escrow arrangements so that the 10 per cent shareholding may be issued by the project company pending the determination of the ultimate shareholder(s).”

## **Chamber urges govt to stop arms build-up**

April 7, 2022, The National Business

THERE is a build-up of firearms in Enga’s Porgera and the Government needs to intervene and stop it, Porgera Chamber of Commerce and Industry president Nickson Pakea says. “Business communities and the people want peace in Porgera Valley,” he added. Pakea said recent police operations following the killing of a policeman and burning of police barracks in Hela would also have an impact on Porgera and mining activities and operations. “Porgera and Tari have cultural ties that have become a safe haven for perpetrators shifting their weapons into Porgera.

“In the last gun amnesty in Hela by the Government and provincial government, all guns were brought to Porgera through the bush track. There was destruction from the use of the weapons, including an increase in illegal mining and killings. Many Tari people have also died,” he added. “In the last four days since the state deployed police to the devastated Tari, Porgera communities have seen an increase in high-powered firearms in the Special Mining Lease area. “The communities informed the local district office of the guns movement. We do not know their intentions.”

## **Untold mining story of Banaba in art at West Auckland gallery**

*A travelling multi-media installation is currently showing at Te Uru Art Gallery in West Auckland New Zealand. Susana Suisuiki, RNZ Pacific Journalist, Radio New Zealand on 7 April 2022*

Titled 'Project Banaba', the installation explores the untold mining history of Banaba or Ocean Island. Award-winning professor Katerina Teaiwa has spent several decades studying the impacts phosphate mining has had on the Banaban people and their displacement from Kiribati to Fiji. Dr Teaiwa said she was unsure of what she wanted to do with all of her research. "It was my way of

trying to disseminate my doctoral research beyond the academy, so I had written a lot of words but I also made films...short video studies about contemporary Banaban life for what the island in Kiribati looked like now and what Rabi island looks like.



Katarina Teaiwa project Banaba touring exhibition curated by Yuki Kihara. Photo: Te Uru Waitakere Contemporary Gallery

"I didn't have a pathway of what to do with my audio/visual and performance content, so I had to kind of put that on the shelf for a little bit because if you're a social scientist or in the humanities, you're expected to publish books and publish journal articles and become an expert in producing texts," she said. Not wanting to leave all of her research and creative content on the shelf any longer, Teaiwa reached out to other artists to help interpret her work and realised it had the potential to reach out to bigger audiences.



Katerina Teaiwa Photo: Zan Wimberley

This led Teaiwa to collaborate with renowned Pacific artist Yuki Kihara who could help showcase the project in different locations. "It started in Sydney, at Carriageworks which is a large gallery and they funded the first exhibition. Then two years later it went to a gallery in Hawke's Bay, New Zealand and now it's just opened up at Te Uru in Auckland," Teaiwa said. "Everywhere it travels it engages with the place and the history of the place, so it's not like it goes to random galleries - there's always a significance of the communities or the places that this travels to." When Kihara

engaged with the Banaban community, they wanted to ensure that there were more educational resources to teach young people about the culture and heritage of Banaba. "I knew I could use my curator practice to not only highlight the contemporary experience of the Banaban community," she said.



Te Kaneati workshop co-curated by Banaban Christian Fellowship Supported Hub and Yuki Kihara Photo: Te Uru Waitakere Contemporary Gallery

"But, we're also developing video resources that would be circulated online to make the thriving Banaban community's presence known in Aotearoa New Zealand and also create awareness, and to also create educational resource for us to learn from the Banaban experience," Kihara said. The Auckland Banaban Christian Fellowship Hub was approached by Teaiwa and curator Kihara to ensure the content in 'Project Banaba' was educational for audiences to learn about Banaba which is not widely known. Raising awareness and sharing the history of Banaba has been a long time coming, said Banaban community leader, Maggie Kaipati.

Kaipati said being involved in the project has brought the community closer. "The fellowship played a very important role in the success of the 'Te Kaneati' curated by Yuki Kihara alongside 'Project Banaba' by Katerina Teaiwa," she said. "This workshop brought a sense of nationalism that emerged among our community members. There was unity, togetherness, and determination that everyone involved in it worked wholeheartedly. "Their determination successfully delivered our unique story, history, and culture which is now showcasing at the Te Uru gallery," she said. Project Banaba will run until Sunday 29 May 2022.

### **New Porgera wrap up**

Post-Courier, April 5, 2022

Barrick Gold Corporation President and CEO Mark Bristow has indicated this week should see final signings take place between Barrick Niugini Limited and the State for the shareholder agreement and constitution of the new Porgera project. In an exclusive interview in country yesterday, Mr Bristow outlined the current state of the reopening and also indicated where negotiations have been with the State in the progress towards re-opening the giant mine. April is anticipated to be the month the State concludes agreements to see the beginning of the re-opening of the major gold producing mine in the country since April 2020. The specified agreements outstanding include the shareholding and constitution of the project and cited delays that saw various set dates between September 2021, to now April 2022.

“We have signed the framework agreement and we signed the PPCA (Porgera Project Commencement) Agreement. “What we have been doing is negotiating the shareholders agreements and the constitution of the New Porgera and because of the delays, we have some changes to make,” Mr Bristow said. “Some additional variations to the agreements and then we need the Parliament to approve certain aspects including the relation and connectivity of the agreements and Kumul (Mineral Holding Limited) because it is a parliamentary issue.” Mr Bristow was in country for a quarterly visit to Barrick projects around the globe and is expected to fly out of the country today, but reiterated his team would stay on and finalise the agreements that will then see the Special Mining Lease applied for and that will then re-start the mine. He took part in consultation sessions with the landowners as well yesterday.

“The landowners need to agree. We have 50 per cent carry interest. “The MRE (Mineral Resources Enga) 5 per cent, and the 10 per cent we have agreed for all the stakeholders in the valley. “They need to come back to us and say we’ve agreed and these are the break downs so we make sure everyone gets their benefit and then on that basis the SML 11 is validated and we are ready to go,” he said. However, Mr Bristow also was aware that delays to the State Negotiating Team (SNT) were understood considering multiple project negotiations for Papua, P’nyang, and Wafi-Golpu alongside Porgera. He said his constant presence in country was to ensure negotiations follow through considering the stretch in the SNT team. When asked yesterday, Prime Minister James Marape was optimistic, adding outcomes from Barrick and Kumul Minerals are expected in the week.

### Wafi-Golpu: No rush, says PM

By GLORIA BAUAI, April 5, 2022 The National



TALKS between the Government and stakeholders to get the US\$5.4 billion (about K18.5 billion) Wafi-Golpu project off the ground have been stalled again, but Prime Minister James Marape says “we are not in a rush”. The next round of talks will be held in Lae on April 27, to resolve the remaining major issue of the mine waste disposal system. Morobe prefers the terrestrial waste dam while the Government favours the deep sea tailings placement (DSTP). Marape told the people in Lae yesterday: “We understand your concerns of DSTP and better benefit requirement of locals. We are not in a rush. “We’ll go through that until every party at the table is satisfied and their concerns have been heard,” he said. “These matters are not easy for a quick-fix solution. “It’s a serious matter and needs a lot of time for us to secure a deal (that) is good for everyone.” The development forum

on April 27 will be attended by professionals and stakeholders from the private sector and the Government, provincial representatives and landowners.

Marape said the forum would be “as long as it takes because Wafi-Golpu is not a lightweight issue”. He said talks would continue “for as long as it takes until a win-win consensus is reached”. Marape was in Lae yesterday to receive the province’s position paper on the mine. Marape apologised to the developers for the delay but said that it would be beneficial in the long run, as it ensured that all parties’ concerns were considered before signing the deal. He had said last month before leaving for Australia that Cabinet was going to make an announcement on Wafi-Golpu project in Morobe. He tasked his deputy Sam Basil to work with Mining Minister Johnson Tuke and the State Negotiation Team to bring Wafi-Golpu negotiations to a close before the Government could sign an agreement with the developers Harmony Gold Ltd and Newcrest Mining Ltd.

Morobe Governor Ginson Saonu yesterday said while the province wanted the project to start, they needed to sort out the mine waste disposal system issue first. He said Morobe could make an exception for Wafi-Golpu to use the DSTP “but with very strict and specific conditions”. He said the province was still against DSTP. But after a three-month consultation with affected landowners, they resolved that should the Government and developer insisted on using DSTP, then certain conditions must apply, he said. “The mine tailings pipeline will run from the mine site to Salamaua and to Morobe Patrol Post Coastline 50km into the ocean as an improvement to the current plan,” he said. Saonu also urged the State and developer to review the environment permit issued to the company.

### **Govt allocated K50mil for Wafi-Golpu infrastructure: Marape**

April 5, 2022, The National Main Stories

THE Government has allocated K50 million in the 2022 national budget as the infrastructure development grant (IDG) for the Wafi-Golpu Mine project, says Prime Minister James Marape. Marape told the people of Morobe in Lae yesterday that from the K50 million, K10 million had been given to the provincial government for necessary ground work in preparation for the gold-copper project. The three affected districts – Wau-Bulolo, Huon-Gulf and Lae – received K4 million each. The other districts were allocated K3 million each. He said the money had been paid to the MPs although “some landowners told me that they have not received their share. I sincerely apologise”. “The balance of K50 million from last year was held back and put into this year’s budget.” He said the province must state how the remaining grant would be distributed.

“At the Wafi-Golpu development forum proper later this month, you’ll tell me how much IDG you want. “If it’s K1.2 million, (how it will) be spread over how many years.” He said for example, the PNG LNG project had a 10-year spread. So even before the first gas was produced, the IDG had kicked in. Wafi-Golpu will take four to six years before it starts operation. “So before the mine starts, the project area must be ready,” he said. Marape said the Government did not want to repeat the mistakes of the former government where decisions were rushed and reached without proper consultation. “We’re (going) through proper negotiations this time,” he said. “The 10 per cent lost during the arrangement by the previous government has been restored. “Of course, the Morobe government led the fight to get back the 10 per cent.”

## Confidence Rio Tinto will pay for Panguna cleanup

Radio New Zealand on 2 April 2022

A Bougainville women's MP remains confident that mining multinational, Rio Tinto, will fund a cleanup around the Panguna mine. The damage caused by the mine sparked the Bougainville civil war more than 30 years ago.



Theonila Roka Matbob Photo: HRLC

The Panguna Mine Legacy Impact Committee, which Rio Tinto is part of, has now appointed three companies to undertake an assessment of the damage. Its third meeting is due to be held next Thursday. MP Theonila Roka Matbob led the campaign to get the company [involved and said](#) while at this stage Rio Tinto has only agreed to pay for the assessment, she's confident they will fund any subsequent cleanup.



The Panguna copper and gold mine in Bougainville was closed down for operations in 1989 at the start of the civil war. Photo: RNZ / Johnny Blades

"I am still very much vocal and expecting Rio Tinto will have to publicly make a commitment that it will fund the clean up. As it is Rio Tinto has not committed to cleaning up. They have committed to assessing," she said. In 2021 Bougainville communities, led by Ms Matbob and helped by the Australian Human Rights Law Centre, filed a human rights complaint over the mine damage.

They alleged the massive volume of waste pollution left by the mine was having severe environmental and human rights impacts and putting the lives and livelihoods of their communities at risk. This led to Rio Tinto to commit to the assessment process. Meantime the Bougainville Government and Panguna landowners announced in February this year that they had reached an agreement on re-opening the mine.

### **Locals assured that DSTP is safe**

BY ABBEGAIL WAFI, Post-Courier, April 1, 2022

Minister for Environment and Conservation, Wera Mori assured the Wafi-Golpu mining impacted areas that Deep Sea Tailing Placement is the safest means to dispose mine tailings. This follows a chain of disagreements by concerned parties considering the disposal of Wafi-Golpu mine tailings through the DSTP method which may pose marine environmental impacts on the coastline of Morobe. Locals, church groups, landowners and other anti-DSTP groups from impacted areas are of the idea that DSTP is a marine destruction when Wafi-Golpu project commences. However, Mr Mori assured the concerned parties that the best and safest mine-waste disposal method is through DSTP and not terrestrial tailings dam. He explained that given the geological processes within the exploitation zone where tectonic movements are active along the Ramu-Markham fault, terrestrial dam may collapse hence DSTP is the way forward.

“Morobe receives a lot of earthquakes, given the tectonic movement in this part of the country where earthquakes occur over six magnitude on the average of Richter Scale, you cannot afford to have billion tonnes of waste material and if the dam collapses, it’s going to obliterate every little living thing up the mine and right down to Markham River and will probably destroy Lae wharf and the coastal villages along the Huon Gulf,” he said. “Being the minister responsible for Environment and Conservation, when the environment council recommended for DSTP approval, I had no option but I had to assure you that DSTP is the only safest means. “The waste will naturally make their way down into the mid oceanic trenches and eventually migrate down and be part of the magma, they will heat up, melt and become magma so DSTP is the way forward.” “I would not be able to approve because I know and I understand the dangers it will pose for such a huge mine,” he added. He said DSTP is permitted after feasibility studies of ocean and chemical compositions and depth survey of the Huon Gulf was undertaken.

### **PNG ready for EITI validation**

Post-Courier, March 31, 2022

Papua New Guinea’s second country validation on implementing the Extractive Industries Transparency Initiative Global Standard will commence this Friday. Head of the PNGEITI National Secretariat Lucas Alkan said the validation is intended to assess the impact EITI implementation has made in the country in terms of addressing sector governance challenges. He said the six months validation exercise will entail an independent and comprehensive assessment with an announcement on the outcome by the international EITI board expected in October. He added that the second country Validation will be a quality assessment on how far PNG have progressed implementing the EITI International best practice requirements in the country. “PNG was awarded “meaningful progress” ranking in its first Validation in 2018 with recommendations to close EITI reporting gaps and this validation will assess how PNG implemented recommendations and other EITI requirements under the EITI Standard”, Mr Alkan said.

“The validation focuses on the efforts made by the country in; implementing the specific requirements as prescribed by the EITI Standard, the lessons learned or challenges faced in the country’s

effort to implement these requirements, the progress made in undertaking policy and legislative reforms as recommended through the EITI country reports, as well as any concerns stakeholders may have in the extractive sector relating to resource governance for better management of the sector". He said PNG's validation will be undertaken in three phases firstly staff from the EITI International, the PNGEITI Secretariat and its Multi-Stakeholder Group will undertake a desk review of all relevant documentations of the PNGEITI since its inception and upon completion of the desk review, staff from the EITI International Secretariat will undertake stakeholder consultations.

## Meer und Tiefseebergbau

### Meeresforscher Haeckel: "Wir finden bei jeder Forschungsfahrt 100 neue Arten"

*Am Meeresboden lagert mit Manganknollen ein Schatz begehrteter Metalle. Ihr Abbau könnte gravierende Folgen für Ökosysteme bringen, sagt Matthias Haeckel*

Laura Anninger, Der Standard, 27. März 2022



Manganknollen bestehen vorwiegend aus Eisen- und Manganverbindungen, daneben enthalten sie Kupfer, Nickel, Kobalt und Metalle der seltenen Erden. Unzählige der begehrten Knollen lagern am Meeresgrund, wo sie künftig geborgen werden sollen. Foto: Reuters / Christ Helgren

Bergbauunternehmen wollen bald Manganknollen in der Tiefsee schürfen. In ihnen stecken wertvolle Metalle, die etwa für die Herstellung von Akkus verwendet werden.

Was der Tiefseebergbau für das dortige Ökosystem bedeutet, erforscht Matthias Haeckel vom [Helmholtz-Zentrum für Ozeanforschung in Kiel](#). Er koordiniert mit Mining Impact das weltweit größte unabhängige Forschungsprojekt zu den ökologischen Folgen des Tiefseebergbaus.

**STANDARD:** Was ist über den Lebensraum in der pazifischen Clarion-Clipperton-Zone, in der Manganknollen abgebaut werden sollen, bekannt?

**Matthias Haeckel:** Wir finden auf jeder unserer Forschungsfahrten bis zu hundert neue Arten, von Seesternen und Anemonen über Ruderfußkrebse und Fadenwürmer bis hin zu Mikroorganismen. Viele Tiefseelebewesen kommen überall in dieser 5000 Kilometer langen Bruchzone vor. Wir wissen aber bis heute nicht, wie diese Populationen zusammenhängen. Dazu kommt: Manganknollen selbst sind ein sehr artenreiches Habitat, darauf lebt einzigartige Fauna. Es ist wichtig für Schlangensterne und andere Tiefseelebewesen.

**STANDARD:** Kann man Manganknollen jemals ökonomisch sinnvoll und ökologisch vertretbar abbauen?

**Haeckel:** Ökonomisch sinnvoll wird man es bestimmt irgendwann hinbekommen. Ökologisch vertretbar finde ich das aber nicht. Bergbauunternehmen planen ihre Abbauoperationen dort, wo Manganknollen dicht an dicht liegen. Damit sich das wirtschaftlich lohnt, muss man bis zu zweitausend Stück pro Sekunde ernten. Jedes Unternehmen müsste jedes Jahr pro Operation eine Fläche so groß

wie München umgraben. Die Kollektoren würden den Meeresboden mitabtragen. Also auch die oberste Sedimentschicht in und auf der die meisten Lebewesen leben und die für das gesamte Ökosystem wichtig ist. Die wird aufgewirbelt, sinkt ab und begräbt Lebewesen weit über die Abbauflächen hinaus. Die Knollen, die man birgt, werden am Schiff gewaschen. Das Abwasser wird dann wieder eingeleitet. Damit zerstört man pro Jahr größere Flächen als jene, die im Regenwald gerodet werden.

**STANDARD:** Welche Folgen hat der Abbau für das Ökosystem?

**Haeckel:** Tiefseebergbau wird langfristigen Schaden anrichten. Ende der 80er- bis Anfang der 90er-Jahre erforschte das [DISCOL-Projekt](#) die ökologischen Folgen des Tiefseebergbaus. Dafür simulierte man im Peru-Becken das Umgraben von Tiefseeboden, auf dem Manganknollen liegen. Mit einer Pflug-Egge grub man eine Fläche von elf Quadratkilometern um. Ich habe meine Doktorarbeit im Rahmen des Projekts geschrieben. Es gab auch kleinere Experimente in der Clarion-Clipperton-Zone. Im Zuge von Mining Impact haben wir uns im Jahr 2015 angesehen, wie der Lebensraum in diesen Gebieten aussieht. Die Flächen sind bis heute nicht wieder besiedelt. Die Mikroorganismen bauen dort viel weniger organisches Material ab. Es wird bis zu 70 Jahre dauern, bis die Dichte an Mikroorganismen wieder hergestellt ist. Sie sind aber die Basis für das gesamte Ökosystem. Bis die Stoffflüsse wieder funktionieren, dauert es einige tausend Jahre.



Der Tiefseebergbauroboter Patania II beim Testlauf in der pazifischen Clarion-Clipperton-Zone. Bei den dunklen Punkten im Lichtkegel handelt es sich um Manganknollen. Foto: REUTERS/GSR

**STANDARD:** Letztes Jahr haben Sie den Test von Patania II, ein Tiefseebergbauroboter des belgischen Unternehmens Global Sea Mineral Resources (GSR), wissenschaftlich begleitet. Was waren die Erkenntnisse?

**Haeckel:** Die Sedimentwolke, die aufgewirbelt wurde, blieb in den unteren zehn Metern über dem Boden. Sie wurde durch die Strömung verteilt und sank bis zu 1000 Meter entfernt wieder ab, das sieht aus wie eine Schneedecke. Seesterne buddeln sich daraus wieder aus. Einige Schwämme und Korallen können ihre Oberfläche durch Schleim reinigen. Nach monatelangem Abbau schaffen sie das aber nicht mehr. Man muss wissen: Ein Großteil der Fauna am Tiefseeboden filtert seine Nahrung aus den Schwebstoffen im Wasser. Die Sedimentwolke verklebt ihre Filterorgane, weil die Sedimentkonzentration millionenfach höher ist als das klare Tiefseewasser. Wir wissen noch nicht, wie gut die Lebewesen damit klarkommen.

**STANDARD:** Gibt es genug Daten, um die Auswirkungen von Tiefseebergbau beurteilen zu können?

**Haeckel:** Es gibt 17 Explorationsgebiete, die jeweils von den Eigentümern der Lizenzen erkundet werden. Das bedeutet, es gibt wahrscheinlich schon genügend lokale Daten. Viele sind aber nicht öffentlich zugänglich. Dabei sind diese Gebiete nicht voneinander getrennte Ökosysteme. Das hängt alles zusammen. Wir wissen aber noch nicht, wie genau. Wir können nicht sagen, wie das gesamte Ökosystem in dieser Zone geschädigt wird, wenn mehrere Abbauoperationen gleichzeitig laufen. Wir Forscher vom [Projekt Mining Impact](#) und verschiedene NGOs fordern seit Jahren, dass alle Explorationsdaten zugänglich gemacht werden müssen.

**STANDARD:** Ein Großteil der Tiefseeforschung wird von der Industrie finanziert. Weil Forschung in diesen Tiefen kostspielig ist, sei das die einzige Möglichkeit zu forschen, argumentieren einige Wissenschaftler. Wo stehen Sie in dieser Debatte?

**Haeckel:** Bevor man in der Tiefsee abbauen kann, müssen Unternehmen die Gebiete erst erkunden. Dafür werden Wissenschaftler angeheuert und bezahlt. Die Daten bekommt die Firma. Das ist ein Graubereich, aber meistens geht es gut. Ich kenne aber Beispiele, wo das kanadische Unternehmen The Metals Company (TMC) nicht zugelassen hat, dass Daten veröffentlicht werden. Kollegen mussten Arbeiten wieder zurückziehen. Ob man so etwas mitmacht, muss jeder Wissenschaftler für sich entscheiden. Ich verurteile niemanden. Von uns wird immer gewünscht, dass wir die Brücke zu den Firmen schlagen. Aber in dem Fall kann man dann in ein Spannungsfeld kommen. Ich habe die belgische Firma GSR davon überzeugen können, ihren Test von Mining Impact begleiten zu lassen. Das ist ein unabhängiges Projekt, wird von den Forschungsministerien gefördert. Alle Daten, die wir erheben, kommen in eine öffentlich zugängliche Datenbank. Das war für mich eine Grundvoraussetzung.



Matthias Haeckel erforscht unter anderem im Projekt Mining Impact die Folgen des Tiefseebergbaus für diesen submarinen Lebensraum. Foto: Matthias Haeckel

**STANDARD:** Der Knollenabbau wird von der [Internationalen Meeresbodenbehörde \(ISA\)](#) reguliert. Sie könnte auf TMC-Initiative gezwungen werden, bis 2023 einen Mining-Codex zu verabschieden. Weiß man bis dahin, was der Abbau für das Ökosystem bedeutet?

**Haeckel:** Nein. Das wissen wir aber auch in dreißig Jahren noch nicht vollständig. Die Regularien müssen deshalb so gemacht werden, dass man sie anpassen kann, wenn man mehr weiß. Ich würde mir wünschen, dass man bis dahin Regeln vorgibt, die so restriktiv wie nur möglich sind. Aber ich glaube, das ist nicht der Ansatz der ISA.

**STANDARD:** Seitens von TMC heißt es, wir brauchen die Metalle, die in den Manganknollen stecken, um die Energiewende zu schaffen. Stimmt das?

**Haeckel:** Folgen wir dieser Erzählung mal. Für die Mengen, die wir benötigen, müsste man 20 bis 30 Operationen parallel durchführen – über die nächsten 20 Jahre. Das ist im Augenblick nicht

ökonomisch. Auf dem Level wird das in den nächsten zehn Jahren auch technologisch nicht stattfinden können. Bei den derzeitigen Metallpreisen macht das Mangan etwa 70 Prozent des Wertes der Knollen aus. Mangan braucht niemand in diesen Mengen, so viel davon am Markt ließe den Manganpreis einbrechen. Viele NGOs gehen davon aus, dass Gerard Barron der Meeresbodenbehörde auch deshalb Druck macht, weil er vor kurzem an die Börse gegangen ist. Glaubt man, dass der Abbau der Knollen bald beginnen könnte, treibt das den Aktienkurs nach oben. (Laura Anninger, 28.3.2022)

**Matthias Haeckel** erforscht marine biogeochemische Prozesse und ergründet, welchen Einfluss menschliche Aktivitäten darauf nehmen.

### **Mining sector did well: Lewins**

March 24, 2022, The National Business

THE mining sector has performed well in the country, K92 Mining Limited chief executive officer John Lewins says. “When you consider the challenges that we have faced with the Coronavirus (Covid-19) pandemic last year, I would suggest that overall production in country was probably 10 per cent to 20 per cent below what it would have been without Covid-19, while costs were at least 10 per cent higher than they would have been,” he said. “Metal prices have stayed relatively strong, so revenue has been maintained even though production and costs have been under pressure. “The industry also had to deal with supply chain issues including shortages of spares and consumables which are also a result of Covid-19 and now increasing inflation which is putting pressure on costs.”

Mineral Resources Authority (MRA) managing director Jerry Garry said earlier that the greatest challenge for the mining sector had been the Covid-19 pandemic. He said the cost of doing business had escalated and “consequently last year we saw some slight reduction in the production of metals”. He said, however, the mining sector believed that with the relaxation of Covid-19 restrictions across the globe, there would be some improvement in production output. “For the industry, we are looking at some slight improvement this year,” Garry said. He added that travel restrictions had also impacted exploration. “We might however see some slight improvement the mining exploration sector. “It is difficult to predict with the Coronavirus pandemic still around. “People who travelled had to be quarantined and some for over a month.”

### **Landowners urge govt to review royalty arrangements**

By PETER ESILA, March 24, 2022, The National Business

LANDOWNERS of the Petroleum Development Licence (PDL) 7 in Hides want the Government to review arrangements so they can benefit more from their resources. Umbrella Hides PDL 7 association chairman Eric Hawaii Ako said in Port Moresby yesterday that there were too many deductions on royalties which resulted in only K19.7 million paid in Hela this month. The landowners agreed that it had been a long wait of 10 years but the royalties did not add up. They have demanded a review of the umbrella benefits sharing agreement (UBSA) and Licence-Based Benefits Sharing Agreement (LBBSA) and the removal of the 28 per cent royalty component given to the pipeline and plant site landowners capped in the UBBSA.

They also called for a review and removal of unnecessary costs imposed by ExxonMobil PNG Ltd such as capex (capital expenditure) and opex (operating expenses) and the premium on capital cost on the two per cent royalty. The landowners also want their royalty to be exempt from unnecessary corporate income tax. They also asked for an explanation of why they were left with 0.5 per cent of the royalty and what happened to the other 1.5 per cent. They want the Government to put a

hold on the current royalty payments until further legal clearance on the validity of the payments was done. Additionally, they want the 4.27 per cent Kroton equity to be paid in cash to compensate the loss on royalty for this period payments. The landowners also called for a new board of directors to be established for the Kroton Equity Company apart from the block leaders represented by Mineral Resources Development Company.

### **Lack of exploration will decrease mining production over time, says Lewins**

March 22, 2022, The National Business

K92 Mining Inc chief executive officer John Lewins says the company will continue with exploration activities at its gold operation in Eastern Highlands. “Exploration activity in Papua New Guinea has been dropping over the last few years even while exploration around the world has actually increased and this is a great concern,” he said. “Without exploration, we do not find the next generation of mines and some of the mines in PNG have very limited lives. “So, unless we can encourage more exploration activity and expenditure, we could see mine production decreasing over time. “We have some of the best and most prospective geology in the world in PNG, so we need both industry and Government to work together to find answers on how we can make PNG a more attractive destination for exploration activity and expenditure.” He had said earlier this year that for K92, over K30 million was spent last year on exploration with K50 million budgeted for this year’s K92 exploration activities.

He said 2022 was shaping up to be a better year for the mining industry. “With the impacts of Coronavirus (Covid-19) expected to recede, at Kainantu we expect our production to be up at least 20 per cent this year and another 10 per cent to 15 per cent next year. “We will also be committing to our stage three expansion, which will see us spend in excess of K1 billion in capital over the next three years to triple our production.” Lewins added that foreign exchange supply was not an issue for K92. “We sell all of our gold and copper in US dollars and can use those funds to purchase consumables and spares as well as capital equipment for our operation, although over 60 per cent of our costs are in kina for things such as power, labour, local contractors and suppliers, and, of course, taxes, duties and royalties,” Lewins said.

### **Panguna mine issue to be discussed**

BY GORETHY KENNETH, Post-Courier, March 21, 2022

An advance team from Bougainville is now in Port Moresby in preparation for the next Joint Supervisory Body Meeting that will take place in Port Moresby next month. The Panguna mine area landowners and the Autonomous Bougainville government have reached a joint resolution to re-open the Panguna Mine will feature in the JSB agenda that is now being prepared. JSB is the meeting that is co-chaired by Prime Minister James Marape and ABG President Ishmael Toroama. Panguna Mine landowners signed the joint resolution in February, signed by clan chiefs and representatives from the five major clans of the Panguna area – Basikang, Kurabang, Bakoringu, Barapang and Manta.

The signing took place at the end of a three-day summit for the Panguna landowner groups hosted in Tunuru, Central Bougainville last month. Mr Toroama said the signing of the joint resolutions signified the beginning of a new chapter for Bougainville. This will pave way for both the National Government and the ABG to discuss further the Panguna Mine issue at the next JSB in Port Moresby in early April. ABG is the major shareholder in BCL. The ABG’s current shares in BCL as a company, makes it a significant shareholder with more than one-third of total holdings. The

National Government has also undertaken as most recently as December 2021 to divest its remaining shares to the ABG.

This will increase the ABG's total shareholding in BCL to around 76 per cent, making it the majority shareholder. The Bougainville government is confident that the re-opening of the Panguna Mine will be a major booster for the region's economic future and at the same time, guarantee Bougainville's political independence. Following the signing of the joint resolutions, the ABG through the Department of Mineral and Energy Resources and other relevant departments, will work together with the landowner groups to facilitate the process towards the re-opening of the mine.

### **Kua: Dept to hold benefits for PDL 9**

March 17, 2022, The National Business

PETROLEUM Development Licence (PDL) 9 royalty and equity benefits will not be released until proper processes are completed, Petroleum Minister Kerenga Kua says. The Juha Petroleum project (PDL 9) covers Western and Hela provinces. "The landowner beneficiary identification (Lobid) for Western was conducted in Kiunga while the Lobid process for Hela faction was conducted in Koroba Station," Kua said. "The ministerial determinations administrative processes started in 2014 and were never completed for eight years due to various situations beyond the department (Petroleum)'s control and mandate.

"Most of the dissatisfaction are from the Hela landowners. "Since I became petroleum minister two years ago, I focused on achieving good progress in the release of rightful landowner benefits to the project area landowners," he said. "The Government is fully committed to release landowner benefits. "I am advised by my department there are no issues regarding ministerial determination for the Western Province region of PDL 9. "All compliance issues have been met prior to running the Lobid work for the whole PDL 9 Juha."

### **Sonk refutes report of additional equity in Kroton**

March 17, 2022, The National Business

KUMUL Petroleum managing director Wapu Sonk says there will be no additional equity for beneficiaries of the PNG LNG Project through the Kroton Equity Option. "Under the 2009 Kokopo UBSA (Umbrella Benefit Sharing Agreement), the Government granted Kroton equity beneficiary group an option to acquire an indirect 4.27 per cent interest in the PNG LNG project by buying 25.75 per cent of the shares in Kumul Petroleum Kroton Ltd, which then was known as Kroton No.2 Ltd. It is the special purpose subsidiary of Kumul Petroleum that holds the State's 16.57 per cent interest in the PNG LNG project. "The report in *The National* newspaper yesterday regarding additional equity for PNG LNG Project beneficiaries is misleading. "There is no 6 per cent of ex-Oil Search PNG LNG Project shares from Santos offered to Kroton beneficiaries that Kumul Petroleum is aware of.

"Any discussions regarding equity in other petroleum developments are completely separate from the Kroton Equity Option that Kumul Petroleum manages under the vendor finance arrangements for beneficiaries of the PNG LNG project." Sonk was reacting to a statement by vice-minister assisting the Prime Minister looking after Kumul Petroleum Holdings Ltd Manase Makiba, who told a gathering in Hela last week that the Kroton equity shares from the PNG LNG project would now increase to 10.27 per cent. Makiba, who is also Komo-Margarima MP, told PNG LNG landowners in Hides, that the decision was made by Government following Santos offloading certain shares after taking over from Oil Search Ltd last year.

### **K1.4 million for North Fly road link**

March 16, 2022, The National



Construction work in progress at Wakiala village in the North Fly electorate. – Picture supplied

WORK continues, since last year, to link the vast and geographically diverse North Fly with a funding of K1.4 million, local MP James Donald says. Donald said they were working back from the Strickland River after doing pilot tracking from Wakiala to Wabi villages. “Currently, work is progressing with the contractor doing formation and passing Wakiala village and heading up towards Iowara camp 10 (refugee camp),” he said. “This project will cover a total of 120km along the Strickland River and eventually join the villages in the Nomad area.” Donald said the North Fly development authority had made available K1.4 million with K4 million in counterpart funding from the Fly River government for the project. He said despite limited funding, work was progressing well under a tight budget with the aim of completing the road link on time. “I am committed to connect these villages by road and to ensure government services and other economic empowerment initiatives are accessible.”

### **Wafi-Golpu project negotiations ongoing, says Garry**

March 15, 2022, The National Business

NEGOTIATIONS are still ongoing for the US\$5.4 billion (K18.5 billion) Wafi-Golpu project in Morobe, Mineral Resources Authority (MRA) managing director Jerry Garry says. Garry told *The National* that at this stage, all information were being treated as confidential. Prime Minister James Marape before leaving for a trip to Australia earlier this month instructed Cabinet to make an announcement last Wednesday however that did not eventuate. Marape had tasked Deputy Prime Minister Sam Basil to work with Mining Minister Johnson Tuke and the state negotiation team to bring the Wafi-Golpu negotiations to a close for the Government to sign an agreement with Harmony Gold Mining Company Ltd and Newcrest Mining Ltd. However, Garry when asked by *The National* on the progress and if an announcement was expected soon said “negotiations are still in progress”.

“While negotiations are afoot, we are treating everything confidentially until agreements are reached before we release them into the public domain.” Garry previously told *The National* that the State was hopeful it would finalise agreements in the first quarter of the year. He said the SNT had been engaged in discussions for a mining development agreement where many of the items in the term sheet had been agreed on. “There are one of two outstanding things that need to be agreed upon with stakeholders which included royalty benefits which the state wants to be set at eight per cent. “The NEC (National Executive Council) decision is at eight per cent and the company is saying no and it’s offering 3.5 per cent only, so that’s where the negotiations are,” he said.

## **Porgera mine to reopen next month: Vele**

March 15, 2022, The National Business

STATE negotiation team (SNT) chairman Dairi Vele says the multi-billion Porgera gold mine in Enga is expected to reopen next month after being closed for almost two years. Vele told The National that it would however take several months to ramp up to steady production. He said that operator, Barrick Niugini Ltd (BNL), was in charge of funding the cost of restarting the mine with the state expected to repay BNL its share of the restart cost. Under the new Porgera deal, the state has a 51 per cent stake – 36 per cent to Kumul Mineral Holdings Ltd and 15 per cent to the Enga government and landowners. The state is expected to gain 53 per cent of any profit made from the new Porgera mine deal.

“The mine has been shut for nearly two years,” Vele told *The National*. “We need to reopen the mine, get staff moving throughout the mine, make sure the equipment are all okay, replace and upgrade what needs to be replaced and start mining again and getting the ore through the processors. “Barrick is in charge of all of these. “The State is doing all we can on our side to allow Barrick to do what they need to do. They (BNL) are funding the restart, State will repay Barrick its share of the restart costs.” The State has recently signed the Porgera Project Continuation Agreement (PPCA) with landowners through Mineral Resources Enga.

## **Kroton equity shares up 10.27pc**

By DALE LUMA, March 15, 2022, The National Business

THE Kroton equity shares from the PNG LNG project will now increase to 10.27 per cent, vice-minister assisting the Prime Minister looking after Kumul Petroleum Holdings Ltd Manase Makiba says. Makiba, who is also Komo-Margarima MP, told PNG LNG landowners in Hides, Hela, recently that the decision was made by Government following Santos offloading certain shares after taking over from Oil Search Ltd last year. The Kroton equity beneficiaries are the PNG LNG project-impacted provincial governments – Hela, Southern Highlands, Central, Gulf and Western governments and all landowners from the impacted areas. “The 4.27 per cent in Kroton equity is being parked by Kumul Petroleum,” Makiba said.

“When Oil Search pulled out, Santos Ltd came in and gave out six per cent and Government has made the decision to add that six per cent to the 4.27 per cent so it will become 10.27 per cent. This is good news.” Makiba said there were process in place where landowners needed to follow in order to obtain and manage the funds from that share. Under the 2009 Kokopo UBSA (umbrella benefit sharing agreement), the Government granted Kroton equity beneficiary group an option to acquire an indirect 4.27 per cent interest in the PNG LNG project by buying 25.75 per cent of the shares in Kumul Petroleum Kroton Ltd, which then was known as Kroton No.2 Ltd. It is the special purpose subsidiary of Kumul Petroleum that holds the State’s 16.57 per cent interest in the PNG LNG project.

## **Police get new quarters through mine’s tax credit scheme**

March 14, 2022, The National

POLICE in Tabubil can now enjoy new quarters: 10 self-contained units for married police officers and eight for single officers. Assistant Commissioner Police Border Command Peter Philip said the new accommodation were fully air-conditioned “with fridges and kitchen utensils provided”. It was funded by the OK Tedi Mining Ltd Infrastructure Tax Credit Scheme. “The building cost K2 million, which is a part of K3.5 million approved to support police accommodation improvement and

rehabilitation in Tabubil,” he said. It was completed in six months. The old police quarters was built 30 years ago.

### **Govt cash-flow will determine payout: Dept**

March 14, 2022, The National Business

THE Treasury Department will release warrants of the K120 million for the PNG LNG landowners in phases depending on the Government’s cash-flow, an official says. Policy division first assistant secretary Donald Hehona during the release of the first K40 million to the Petroleum Department in Port Moresby on Friday said it was a Government commitment approved by National Executive Council. “But the K120 million rollout depends on the Government cash-flow. We will do that in phases,” he said. “The first phase is today (Friday). They will make sure that the projects planned and approved are funded. “Our job is just to make sure that we deliver the warrants as required until the K120 million is completed. “The Department of Petroleum makes sure that the money is disbursed to the beneficiaries. “We only do the administration of it.”

### **Seabed mineral exploration licences approved in the Cook Islands**

*Five kilometres deep on the Cook Islands seafloor, potato-shaped rocks pave the bottom loaded with expensive minerals like cobalt, copper, manganese and nickel.*

Caleb Fotheringham, Journalist Cook Islands News, Radio New Zealand on 14 March 2022



Odyssey’s research vessel used for mineral exploration work in Papua New Guinea, Solomon Islands, Tonga, Fiji, Vanuatu and New Zealand Photo: Adam Stemm

They're called polymetallic nodules and three weeks ago the Cook Islands Prime Minister, Mark Brown referred to them as "golden apples". Brown made the comment during an official signing ceremony where three companies were awarded a seabed minerals exploration licence. The licence allows the companies to see if mining is a viable option which includes reviewing the environmental risks associated with the task. Brown, who is also the Minister for the Seabed Minerals Authority, compares the Cook Islands situation to Norway - a country that enjoys some of the highest standards of living in the world, made possible through abundant natural resources. Brown sees the expensive minerals bringing infrastructure improvements to airports, ports and schools. The Pa Enua (outer islands) will have drinking water security - something that's always been a challenge but has been made worse through climate change. High-speed internet will be available throughout the entire nation and Cook Islanders living overseas could even be beneficiaries of education

scholarships in whatever fields or universities they choose. A more short-term benefit would be retaining some of the Cook Islands population who are leaving for New Zealand's far more attractive wages.



(L-R) George George Williamson, Bishop Tutai Pere, Maru Mariri, Hon. Mark Brown, Makiroa Mitchell, Makiuti Tongia and Sam Napa. Photo: Cook Islands Seabed Minerals Authority

"Today our people are leaving to pick apples in New Zealand, tomorrow, we will have our own apples to pick, and they sit on the floor of our ocean," Brown said at the ceremony which was followed by a round of applause. Three companies given the licence are Cook Islands Colbalt (CIC) Limited, Moana Minerals Limited and Cook Islands Investment Company (CIIC) Seabed Resources Limited which is co-owned by the Cook Islands Government. These companies are based around the world and share joint ownership with other mining companies. All companies have budgeted between \$55.4 million to \$71.7 million to conduct the exploration process over the next five years.

Despite the riches the "golden apples" are promising, many nations and environmental groups like Te Ipukarea Society, a non-government organisation in the Cook Islands, has called for a 10-year moratorium on seabed mining, something the Cook Islands Government with support from the opposition party have vocally opposed. Even companies like BMW, Renault and Microsoft - companies who would be beneficiaries of the mining have supported a moratorium. Tech giant, Microsoft said in a report that due to the early nature of deep-sea mining the company will wait "until the proper research and scientific studies have been completed" until using any of the minerals. Goldman Environmental Prize winner and marine conservationist, Jacqueline Evans says seabed mining has a direct impact on the biodiversity that lives on and around the nodules. The disposal of sediment from the ship will also impact marine life, she says.

Another concern of Evans and the technical director at Te Ipukarea Society, Kelvin Passfield, is the companies could be reluctant to leave if they're granted a mining licence. Passfield says, "our concern is they're not expecting to spend that money and say, 'oh it looks like the environmental impacts are not going to be good, so we're going to pack our bags and leave'." "We need to be sure that does happen and if the impacts are going to be too great that they will pack their bags and leave, and the Cook Islands is not going to be put under any pressure to award them a licence. "These companies, they're in the business of making money, they're in the business of pouring millions of dollars of investors' money into the seafloor. "Their expectation is they're going to get an exploitation (mining) licence." The Cook Islands have rules in place in the exploration legislation that protect the companies.



Polymetallic nodules Pacific ocean Photo: Velizar Gordeev. All rights reserved.

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Photo: Cook Islands New

Evans says, "the legislation doesn't allow us to deny a mining licence for whatever reason - there are pre-stated reasons for denying a licence. This favours the mining companies more than it favours ourselves." The concerns of being sued are exacerbated by ongoing litigation between Odyssey Marine Exploration, which is a joint owner of CIC - one of the Cook Islands companies with an exploration licence - and the Mexican Government. Odyssey is seeking more than \$US2.3 billion from Mexico after being denied a mining licence by the Mexican government. Dr Catherine Coumans, the Asia-Pacific programme coordinator for Canadian non-profit organisation MiningWatch Canada, has experience supporting governments fighting costly, years-long legal battles against mining corporations. Coumans says the Mexican government denied the licence on the grounds that the proposed mining would endanger turtles, whales and fishing grounds. It was also based on a lack of public consultation.

However, the president and chief operating officer of Odyssey, John Longley says his company was already granted a 50-year mining license for extracting phosphate sands in Mexico and the company found there would be "minimal environmental impact backed by extensive research". "The government did not apply fair and equitable treatment to the evaluation of the project and environmental application, illegally denying the license," Longley says. Odyssey claims Mexico is depriving

citizens in the United States of certain rights, going against the North American Free Trade Agreement between the US, Mexico and Canada.



Mining for copper under the sea Photo: Nautilus Minerals

Before the exploration licences were awarded the licencing process was open to public feedback. Cook Islands Seabed Minerals is the Cook Islands regulator for seabed minerals, Alex Herman the commissioner, says a key issue brought up in the submissions was around environmental data collection. The environmental impact assessment of the potential harms of mining the minerals rests with the applicant, she says. Which means companies will pay for their own assessment. However, she says the independent review is normally part of the process and will also be commissioned by the companies. The main environmental case for deep-sea mining is that rare metals are needed if the world is to ever transition away from fossil fuels.



Adam Stemm (left), chief operating officer of CIC, Greg Stemm, chairman and founder of CIC and Laurie Stemm, founder of Cook Islands Traditional Arts Trust. Photo: Adam Stemm

Greg Stemm, chief executive officer of CIC says "currently there is insufficient metal in the system to meet the exponentially increasing demand for metals to enable the energy transition, until we reach a critical mass, which may not be for 25-50 years from now, then new raw materials must be sourced." Stemm says if the rare earth metals could be extracted in the Cook Islands it could "save

rainforests and other environmentally sensitive areas on land". "If there is any possibility that it can be done with significantly less environmental impact than on land, it seems ridiculous to suggest that we should not at least be conducting research to determine the viability of ocean minerals."

### **Ok Tedi: Alleged abuse of South Fly funds**

Post-Courier, March 11, 2022

Local-level government leaders in the South Fly district, Western Province, have lodged a complaint with the Police Fraud and Anti-Corruption Directorate over alleged fraud and abuse of district development funds by officers within the district administration. The leaders are alleging that officers within the office of the South Fly MP Sekie Agisa have lodged false claims by using names of churches and schools in the district and fraudulently getting millions of kina in cheque payments which were later cashed in local Chinese shops. The LLG ward members representing nine wards in the district told the Post-Courier that they had formally lodged the complaint for the authorities to carry out immediate investigations into the district treasury on the alleged fraudulent activities occurring there. The Post-Courier has been given copies of those cheque payments as well as the referral letter to police and an internal police reference on the allegations.

Spokesperson and ward member for Bisuaka, Michael Karao said from Daru that the alleged fraudulent activities had affected the district and there was nothing to show on the ground in terms of basic services. "We have registered the complaints at the Daru police station in relation to a recent cheque payment valued at K20,000 intended for the Evangelical Church of PNG mission in Morehead and was diverted and cashed at a Chinese shop in Daru," Mr Karao said. "There is also another pending complaint with regards to funds totalling K280,000 that was obtained fraudulently by officers within the South Fly district administration under the guise of a computer lab project for the Daru Secondary School." Mr Karao's statement was affirmed by a letter of complaint by Norman Genai Oma, the chairman of the Daru Secondary School board of governors, who highlighted details of an alleged fraudulent activity involving a teacher and two officers from within the district administration.

In the letter of complaint, Mr Oma claimed the South Fly District Development Authority approved the payment of K280,000 after the purported project submission was presented to the district DDA in its meeting. "A cheque was raised naming Daru Secondary School as the payee and the receiver of the project funds, but instead three officers conspired and colluded by tampering with the cheque and diverted the payments to themselves and others," Mr Oma claimed. Additional complaints were laid last year by ward members of the Kiwai Island alleging fraudulent activity within the district administration that saw funds intended for churches on the island, and totalling up to K300,000, misappropriated and diverted for personal use. The ward members have also called on the Police Fraud and Anti-Corruption Directorate to into the alleged fraud activities as they have brought a lot of pain and misery to the people of South Fly when funds intended for basic services were being misappropriated. Several attempts to get comments from the district administrator and the local MP were unsuccessful.

### **K4.1mil case deferred**

By BEVERLY PETER, March 11, 2022, The National

A MAN who allegedly used more than K4.1 million belonging to 11 clans of East Lake Murray, Middle Fly, Western, was charged with three counts of dishonest application of funds at the Wai-gani Committal Court on Tuesday. Magistrate Paul Nii, after reading the charge to Unabi Kaya, 70, of Upovia village, said he would give time to the police to file the hand-up brief. He adjourned the

matter to April 13 giving police investigators a month to build their case. Police alleged that between April 1 and April 31, 2020, Kaya picked up a cheque for K4.1 million at the Treasury Department in Port Moresby on behalf of the 11 clans of Lake Murray. Kaya allegedly transferred K1 million to Peter Mondo of Chimbu, K50,000 to Lapison Waira, who was an officer at National Fraud office and used K3,348 for his personal use. It was alleged that Kaya only paid K716,000 to the 11 clans. Representatives of the 11 clans reported the matter to the police. Kaya was arrested on Feb 23, but was later released on K4,000 bail.

### **K33.7mil for clans**

March 11, 2022, The National Main Stories



Landowners from Hides four in Hela gathering at the Para community school in Komo LLG, Hela yesterday during the announcement of their royalty and equity payments. – Nationalpic by DALE LUMA

A GROUP of landowners in Hela will be paid K19.7 million in royalty and equity today, plus another K14 million as project component, says Prime Minister James Marape. “After a long delay, the first-ever payment has been made,” Marape said. “I commend the landowners and their leaders for assisting the Government, Department of Petroleum, and the developers, by completing their clan-vetting exercise. “The landowners are ready, their accounts are opened, and today K19.7 million will be distributed to their accounts.” He said the K14 million project component was part of the 30 per cent allocated for project infrastructure. “Well done to all PDL 7 landowners, and I appeal to PDL 1, PDL 8, PDL 9 and others that are in dispute to solve their in-house matters before they can be paid,” he said.

Mineral Resources Development Company (MRDC) managing director Augustine Mano said the payment was 40 per cent of the K49 million in royalties from 2015 to 2021, and equity from 2015 to 2016. The PNG LNG project landowners are from the Petroleum Development License Seven (PDL7) in Hides Four. The good news was relayed to them at a school in the Komo local level government yesterday. The payments will be made into the 277 bank accounts of the various clans for six blocks. “A ministerial determination has been made for the K19.7 million to be paid into 277 accounts for the six blocks,” Mano said. “The Bank of Papua New Guinea gave us K31 million last year in royalties. That’s eight years of production.

“Equity, accounts had been audited and for two years, 2015 to 2016, it added almost K18.5 million. So the total is about K49 million in royalty and equity together.” He said from the K49 million, 40 per cent would be paid into the accounts today, totaling K19.7 million. Payments for PDL1 is expected soon following the opening of bank accounts for the various clans. Department of Petroleum and Energy secretary David Manau said PDL 7 was the first upstream PDL in the PNG LNG project to receive the benefits. Manau said court cases and leadership issues affected payouts in the past. Hela Governor Philip Undialu said the distribution of the payments must be made in a

transparent manner and records kept to avoid rows. The royalty and equity payments followed the election of six directors from the six blocks, the completion of clan vetting and the opening of the bank accounts. The benefits had been held in trust by the Bank of PNG.

### **Mine asked to get ex-employees**

By MIRIAM ZARRIGA, March 11, 2022, The National Main Stories

PRIME Minister James Marape says 3,500 former employees of Porgera mine will be given “first consideration for jobs” when the mine reopens. He told *The National* that the Government had asked the mine management for all former employees to be given first consideration. Marape was responding to a question about Porgera Mine and Allied Workers Union urging the Government “to honour the commitment to compensate the 3,500 Papua New Guineans who were made redundant by Porgera Joint Venture after the Government’s decision to not renew special mining lease”. The union said the Government promised to pay compensation to the ex-employees and they have presented a submission but the government has not responded to their request.

In a statement, the Porgera Mine and Allied Workers Union said: “On Jul 27, 2020, executives and the Trade Union Congress met with Marape to air the grievances of the 3,500 plus redundant former employee. “At this meeting, Marape committed to pay K26 million plus as compensation to the former employees, to date, this has yet to eventuate,” the statement said. When asked by the *The National*, Marape said: “When we make a commitment, it is always honoured.” “A commitment is a commitment.” The union said: “The patience of the Porgera mine employees, landowners, contractors and the entire benefit chain have ran out, the first follow up of our submission was to the National Executive Council last July and the second was on Dec 2 through Labour and Industrial Relations Minister Tomait Kapili, but again, there was no response from the Government.”

### **K19bil project must benefit all: Saonu**

By GLORIA BAUAI, March 10, 2022 The National Main Stories

LANDOWNERS and the people of Morobe must receive maximum benefit from the K19 billion (US\$5.4 billion) Wafi-Golpu project, says Governor Ginson Saonu. “The ongoing development of the Wafi-Golpu mining project (shows) our commitment to ensure that the people of Morobe favourably benefit from this project,” he said. “The Morobe government is (working) hard (to ensure that the) benefits are fairly distributed to the landowners and the people.” He was responding to Wau-Bulolo MP Sam Basil who asked him to clarify the province’s stand on the project. Basil said during the passing of the provincial budget in Lae yesterday that there was “a little window before the national election” to progress the project.

“I want you to clarify whether we will deliver this before the issue of writs,” Basil said. “The State negotiation team is finalising negotiations in Port Moresby. “Please make an announcement because our landowners, especially (in) Hengabu and Yanta want this project to commence. “Let us collaborate at the political level and finalise our say. “I personally believe that this project should be delivered under your leadership.” Saonu when tabling the K595 million provincial budget yesterday said Morobe’s commitment to Wafi-Golpu project was intact. He said K300,000 had been allocated to the Wafi-Golpu business development and K1 million as a Wafi-Golpu Special Support Grant. Basil thanked the Morobe provincial executive committee for allocating funds to the Wafi/Golpu project development.

## **Women from mine communities delivering projects**

March 10, 2022, The National

WOMEN from the community mine continuation agreements (CMCA) areas in Western are delivering significant community projects, according to the Ok Tedi Development Foundation (OTDF). The foundation said these women were investors in real estate, plant and light vehicle hire and the Cassowary Hotel in Kiunga. “They (women) have also invested in sustainable agri-business being shareholders of Fly Vanilla Ltd under WestAgro Holdings,” the foundation said in a statement. “This is a significant project changing Western from being mine dependent to an agriculture-based economy. “For the South Fly women’s association, investing in fisheries is a sustainable option.

“Small steps are being taken for three villages in Kiwaba with the focus being mud crabs. “In 2012, when the community mine continuation agreements was up for review, about 30 women leaders participated in the negotiation process. “Each region was represented by three women negotiators with six from the Ok Tedi mine villages.” The CMCA leaders agreed to increase women and children’s compensation package to 10 per cent. The use of these funds would be decided by the women leaders for development to benefit the communities. “Today, nine actively operating women and children’s associations in the Ok Tedi Mine’s footprint area are delivering significant community projects.”

## **Treasury to release K120mil: Kua**

By DALE LUMA, March 10, 2022, The National Business

PETROLEUM Minister Kerenga Kua says K120 million in outstanding capped memorandum of agreement (MoA) funding for PNG LNG project landowners will be released as soon as Treasury releases the money. Kua said this after receiving a petition from PNG LNG Landowners from Hides petroleum development license (PDL) one to seven yesterday who gave 14 days for the Government to release the funds and respond to other outstanding issues. He said the National Executive Council (NEC) had already approved the release of the money and the payment needed to be settled. “I must say that personally I am ashamed of the Government,” Kua said. The Sinasina-Yongomugl MP said the issue stemmed from 2009 but to his Government’s credit, most of that commitment has been paid with the current demand being for the outstanding.

“We got the Department of Petroleum and Energy and all the stakeholders to work together for two years until they condensed the outstanding to a figure of K120 million.” Kua said the amount of K120 million had been settled on in June last year and the NEC had approved payment, however, Treasury had yet to release the funds. “I will continue to push with the Prime Minister, Treasurer and Finance Minister to release the K120 million. “All the paper work to distribute the money is ready, it’s just that we are waiting for the money. “This is not a disputed amount.” Petroleum and Energy secretary David Manau said the screening process for the capped MOA is complete. “The K120 million covers brown fields like Gobe, Kutubu, Moran and Hides,” Manau said. He also clarified that the capped MOA was not an equity, royalty or entitlement. “Its outstanding project money.”

## **More study on merits of mining French Polynesia's Makatea**

Radio New Zealand on 9 March 2022

The French Polynesian government has agreed to a further study of Makatea atoll in response to an application by a New Zealand company seeking to resume phosphate mining. Between 1906 and 1966, Makatea was mined and millions of tonnes of phosphatic sand were removed. Amid plans to

restart mining, the government in Tahiti signed a deal with the French Geological Survey for the development and monitoring of sustainable development policies. It said over the next four months it wanted the agency to develop a geological infrastructure for the sustainable and responsible management of primary and secondary mineral resources.



Plans are afoot to resume phosphate mining on Makatea atoll Photo: supplied French Polynesian presidency

The New Zealand company Chatham Rock Phosphate hopes to get a mining concession after taking over the exploitation project of the Australian-owned company Avenir Makatea last year. The company said after four years of intensive consultation with landowners of Makatea and consultation with government since 2011, it looked forward to the granting of a mining concession in 2022. Amid resistance by environmental groups, Avenir Makatea had been lobbying for years for the go-ahead to extract 6.5 million tonnes of phosphate over 27 years. At the height of the mining boom in the first half of the 20th century Makatea had about 3,000 inhabitants but the number has since dwindled to below 100.

In 2017, the mining minister Heremoana Maamaatuaiahutapu told local television that Makatea could not be left as it was because something must be offered to its inhabitants. Opponents said renewed mining opens the way to wholesale destruction and sells out French Polynesia's heritage. In 2016, an online petition against the mining project was signed by more than 120,000 people. The pro-independence opposition said France could be given control over the phosphate if Paris considered it to be a strategic resource. A Guam-based human rights lawyer warned that France risked being taken to the International Court of Justice if it failed to honour its binding international obligations. Julian Aguon referred to France being party to the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social, and Cultural Rights. He said a precedent was set by the International Court of Justice when it ruled in favour of Nauru which challenged Australia for breaching trusteeship obligations over phosphate mining.

### **Nickel soars to enormous record price**

Radio New Zealand on 9 March 2022

The London Metal Exchange suspended its nickel trading yesterday after it hit a huge record of US\$100,000 per tonne. This historic figure which has almost tripled in value in the last week has sparked concerns for the global nickel supply as Russian sanctions continue. In the last week, record-breaking prices have not stopped climbing, with Friday's 4th of March figure at \$30,000 per tonne, and on Monday a 61 percent increase to \$48,550 per tonne. Around 7am Tuesday morning,

Nickel had climbed to \$82,195 per tonne and attained its absolute record of \$101,365 per tonne one hour later.



New Caledonia nickel mine Photo: AFP

President of the employer federation, MEDEF, in New Caledonia, Mimsy Daly, said these records were expected. Nickel comprises nearly 90 percent of exports from New Caledonia. "New Caledonia is the fourth largest exporter of Nickel with Russia in third. Thus obviously what is happening in Russia will have a major impact on the New Caledonian mining sector," Daly said. "European buyers will rely on other sources of nickel, for example, the Philippines, New Caledonia, or Indonesia." Russia is the third largest exporter of nickel, producing seven percent of nickel for the world with its factory in Norilsk. New Caledonia is ready. At the moment miners are negotiating with providers and clients that are in southeast Asia. "New Caledonia export several types of minerals, the raw type and the transformed. So we have two types in our exports," Daly said. We feed our first market, which is China and Korea, which supply the market for electrical manufacturing. We also have the market for electrical batteries and contracts with Tesla."

### **Ukraine war gives ammunition to the deep-sea mining lobby**

*The Russian invasion has given impetus to proponents of commercial deep-sea mining, which could go ahead as soon as 2023. New research finds that there is insufficient science to suggest that mining will not risk damaging deep-sea ecosystems.*

By Robin Hicks, Eco-Business, March 8, 2022

The conflict in Ukraine has highlighted the vulnerability of mineral supply chains, and provided impetus to supporters of a controversial method for sourcing valuable metals that could be used in the energy transition — deep-sea mining. Russia's invasion has pushed up the price of gold, nickel, silver, and palladium, and triggered fears of supply chain disruption, as Russia and Ukraine are key producers of several of these metals. Russia is one of the biggest producers of gold, nickel, and platinum-group metals, which are used to make electric vehicle (EV) batteries, solar panels and wind turbines. Ukraine is a major producer of iron ore, uranium and coal. Global demand for critical minerals is set to soar in the next two decades. As a result, nations are racing to secure supplies of critical minerals. Countries have tried to reduce their dependence on China, which dominates the refining and processing of critical minerals, amid geo-political tensions.

Deep-sea mining firm The Metals Company (TMC), which formed a US\$2.9 billion business after a merger last year, said in a marketing email on 2 March, that the war has alerted world leaders to the reality that energy-transition metals are concentrated in “geopolitically difficult jurisdictions”. “We are starting to see more political and military leaders consider the national security implications of mineral dependence on countries like Russia (produces 20 per cent of class I nickel) and China (dominates battery materials supply chain)...and the potential role nodules could play in changing critical mineral supply chains,” TMC’s chief executive Gerrard Barron said. Polymetallic nodules are metallic formations lying on the ocean floor that promise to be a multi-billion dollar industry for companies like TMC, which argue that mining the seabed is necessary to power the energy transition.



Indian scientists submerge an undercarriage machine for deep sea exploration in the Indian Ocean. Image: India's National Institute of Ocean Technology via Thomson Reuters Foundation

In a [press release published](#) on 28 February, TMC welcomed comments made by officials in the United States, who called on their government to secure critical mineral supply chains, and consider the “responsible development of the polymetallic nodule resource” in the Clarion-Clipperton Zone, a stretch of the Pacific seabed where trillions of nodules are scattered. TMC also commended the French government’s recent €300 million (US\$326 million) investment in deep-sea mineral exploration, and the Indian government’s US\$600 spending on a “deep ocean mission” to explore nodule extraction the Indian ocean. Currently, seabed mining in international waters is at the exploration stage. However, the International Seabed Authority, the United Nations-backed regulatory body for the deep ocean, is to meet later this month to discuss regulations that could allow commercial-scale deep-sea mining to start as early as July 2023 — a prospect that alarms environmental groups. Though pro-mining lobbyists claim that low-impact deep-sea mining is possible, environmentalists argue that there is insufficient research to support this, and that large-scale mining could potentially obliterate entire ecosystems and alter the oxygen-carrying capacity of the ocean.

Duncan Currie, political and legal adviser for the Deep Sea Conservation Coalition, a collective of non-governmental organisations campaigning against deep-sea mining, said he objected to the TMC “using the war against Ukraine to promote their false narrative.” Deep sea minerals are not needed for the energy transition, Currie said, referring to a [paper](#) that argues that viable alternatives to deep-sea mining are “within reach”, provided that there is more investment in battery technology and recycling, and the environmental, social and governance (ESG) credentials of land-based mining improve. TMC’s marketing offensive comes as [new research in the journal Marine Policy](#) concluded that the science is “insufficient” to support evidence-based decision-making should deep-sea mining go ahead. The study, co-authored by deep-sea biologist Dr Diva Amon, called for scientific

gaps to be filled to help policymakers better understand the negative ecological and economic impacts that mining could cause so that policy decisions are grounded in science.

Source: <https://www.eco-business.com/news/ukraine-war-gives-ammunition-to-the-deep-sea-mining-lobby/?sw-signup=true>

### **Association hails decision to transfer plant's ownership to landowners**

March 7, 2022, The National Business

THE Hiwa Tuguba Hides Association Inc, a landowner group from Hides in Hela has welcomed Prime Minister James Marape and the State's decision to transfer the ownership of Hides gas power plant to landowners and the provincial government. Chairman Aluja Jakari said they would work closely with relevant stakeholders including the State on a way forward for the Hides Gas to Electricity project before the Porgera gold mine in Enga was reopened. "On behalf of the Hides gas project landowners through Hiwa Tuguba Hides Association Inc, we welcome (the decision) and will work closely with stakeholders including the State, Barrick, Hela government, Santos and landowners on the way forward," Jakari said. Marape said in Parliament last week that the Government was working on transferring ownership of the Hides Gas power to electricity plant in Hela to the provincial government and landowners. Komo-Margarima MP Manasseh Makiba said the gas to electricity power plant situated at Nagoli, within Hides, has been supplying power to Porgera gold mine for about 30 years.

### **Toll system to benefit landowners**

BY JEFFREY ELAPA, Post-Courier, March 3, 2022

Minsiter for Petroleum Kerenga Kua said the provincial governments and the landowners impacted by the PNG LNG project will still benefit from the P'ynang gas project from Western Province through a toll system. Mr Kua said that when responding to questions without notice from Southern Highlands Governor William Powi in Parliament yesterday. Mr Powi in his question wanted to know if the landowners of Hela, Southern Highlands, Gulf and Central would benefit from the P'ynang project through a toll arrangement for the use of the current existing PNG LNG infrastructure that sits on their land. Mr Powi also asked Mr Kua if there are any opportunities or provision for the oil and gas infrastructure in Kutubu, Moran and Gobe that have depreciated over time and have aged to be given back to the landowners and the provincial government.

In response, Mr Kua said that the PNG LNG and the P'ynang gas projects are separate projects but the P'ynang project will use the existing PNG LNG project facilities to save construction and operation cost for separate infrastructure. However with these arrangements, there are going to be a tolling arrangement in place and so the joint venture partners of P'ynang will pay the joint venture of PNG LNG project for the use of the common facilities. "So, with these arrangements, usage of the shared facilities will not be free. There will be tolling fee imposed on the usage of the facilities and therefore they (provincial governments and landowners) will be paid so I give that assurance to the Governor," he said. In response to the aging infrastructure queries of the Governor, Mr Kua said that he was not aware if there is any provision in the PNG LNG project agreement for aged infrastructure to be transferred to the landowners and the provincial governments.

"I'm not aware but it is unlikely to have a provision to transfer the facilities to the landowners and provincial government," he said. He said when the James Marape-led government took over, the Department of Petroleum initiated with the approval of the National Executive Council (NEC) renegotiation and concluded the Papua Agreement to have among other things a provision that would

say that when the capital cost for the pipeline in the Papua LNG is paid down, the ownership of the pipeline should be transferred or sold to the state, provincial governments and landowners so they use toll to generate extra revenue. He said Total has agreed to that in principle so that understanding is in place for Papua LNG. Mr Kua said he doubted if there is any such agreement in the PNG LNG, but he would look at it and advise accordingly.

### **Powi queries benefits of project infrastructure**

March 3, 2022, The National Main Stories

SOUTHERN Highlands Governor William Powi questioned the benefits of the infrastructure of the Papua LNG project, a pipeline to transfer gas into Kutubu and the aging facilities of the Kutubu, Gobe and Kikori oil fields. His questions were directed at Minister for Petroleum Kerenga Kua. Powi said: “We were previously led to believe that the P’nyang project was part of the LNG project, as it is now P’nyang is a separate project.” Before Powi could continue, Abau MP Sir Puka Temu interjected with a point of order, saying: “P’nyang was never part of the PNG LNG project, the governor has got it wrong.” However, his point of order was overruled by Deputy Speaker Koni Iguan who allowed Powi to continue his questioning. Powi said: “If the P’nyang and the PNG LNG project are separate, are you going to build under that new project a pipeline to utilise the gas into the Kutubu PNG LNG facilities and the pipeline into Gulf and Central provinces?”

“What is there for us, the landowners, under the PNG LNG. Under this new project, using the facilities, do we have any benefits in terms of toll for the use of the facilities? “And finally, for Kutubu, Gobe and Kikori which are oil fields facilities that are aging, can the State talk to the developers, district and provincial and landowners to own these aging facilities and participate in business?” Kua said: “Initially there were talks of whether or not PNG LNG and P’nyang could be a joint project. “However, it was decided that it would be kept two separate and distinct projects. “PNG LNG and P’nyang are now separate projects. “For the purposes of reducing the operating costs and maximising profitability, it was decided it would be necessary for P’nyang project to use some of the pre-existing infrastructure of PNG LNG, but whenever that happens, there are arrangements in place so that the joint venture partners of P’nyang will pay the joint venture partners of PNG LNG for the use of the common facilities.

“I assure the usage of the facilities will not be for free, there will be a fee imposed between the two separate projects. “I am not aware of any provision in the PNG LNG agreement for aged infrastructure ownership to be transferred to the landowners, province and the state. “I am not aware of any provision and it would be unlikely to have a provision in place. “It was for that reason, my department initiated with the support of NEC of the Papua LNG agreement to have among a provision that will say when the capital outlays for the pipeline is paid down, the ownership will be transferred or sold to the provincial, landowners and state. “The three can collect revenue, Total has agreed to that in principle. “I doubt that there is provision in the PNG LNG agreement. If there is a provision, I will report to Parliament.”

### **Mine disposal concern**

By LULU MARK, March 3, 2022, The National

JUSTICE Minister Bryan Kramer says there is a lot of loophole and gaps in the legal framework on the management and disposal of tailings in the country. Kramer said this when presenting the Constitutional and Law Reform Commission’s final report on the review of the Environment and Mining Laws relating to the management and disposal of tailings. He said the terms of reference were issued to the commission in 2007 to review the laws in response to the publicity given to a study of

alleged toxicity levels in the river system and surrounding environment of the Angabanga River due to tailings disposal from the Tolokuma gold mine. “The final report contains 18 recommendations proposed for both legislative and administrative reforms,” he said. This method of tailings disposal is only practiced in two countries – Papua New Guinea and Indonesia. Kramer said the commission was required to review the Environment Act (2000) and the Mining Act (1992) to determine whether the existing legal framework provided effective mechanisms to secure the health and well-being of the people and environment.

### **Mining the Bottom of the Sea**

*The future of the largest, still mostly untouched ecosystem in the world is at risk.*

By Elizabeth Kolbert, December 26, 2021. Published in the print edition of *The New Yorker* of the [January 3 & 10, 2022](#), issue, with the headline “In Deep.”



Illustration by João Fazenda

It’s rare that a tiny country like Nauru gets to determine the course of world events. But, for tangled reasons, this rare event is playing out right now. If Nauru has its way, enormous bulldozers could descend on the largest, still mostly untouched ecosystem in the world—the seafloor—sometime within the next few years. Hundreds of marine scientists have signed a statement warning that this would be an ecological disaster resulting in damage “irreversible on multi-generational timescales.” Nauru, which is home to ten thousand people and occupies an eight-square-mile island northeast of Papua New Guinea, acquired its outsized influence owing to an obscure clause of the United Nations Convention on the Law of the Sea, or *UNCLOS*. Under *UNCLOS*, most of the seabed—an area of roughly a hundred million square miles—is considered the “common heritage of mankind.” This vast area is administered by a group called the International Seabed Authority, which is based in Kingston, Jamaica.

Large swaths of the [seabed](#) are covered with potentially mineable—and potentially extremely valuable—metals, in the form of blackened lumps called polymetallic nodules. For decades, companies have been trying to figure out how to mine these nodules; so far, though, they’ve been able to do only exploratory work. Permits for actual mining can’t be granted until the I.S.A. comes up with a set of regulations governing the process, a task it’s been working on for more than twenty years. The complexities continue. To apply for a mining permit, companies need to team up with a country that’s party to *UNCLOS*. (Most of the nations in the world are, but not, significantly, the United

States.) And this is where Nauru comes in. It's sponsoring a company called Nauru Ocean Resources, which is a subsidiary of the Metals Company, a Canadian firm. The Metals Company wants to mine a nodule-rich region of the Pacific between Hawaii and Mexico known as the Clarion-Clipperton Zone. In June, not long before the Metals Company went public as a "special purpose acquisition company," Nauru notified the I.S.A. that it was invoking what's become known as the "two-year rule." The rule—which is actually part of an annex to *UNCLOS*—says that, "if a request is made by a State," the I.S.A. "shall" finalize the regulations within two years. As it has now been six months since Nauru invoked the rule, this leaves just eighteen months for the work to be completed.

In mid-December, the I.S.A. held a meeting at its headquarters in Kingston. Because of *COVID*, many countries didn't send delegates, and some that did objected to the two-year timetable, on the ground that it couldn't responsibly be met. Nevertheless, Michael Lodge, the I.S.A.'s secretary-general, said in a press release dated December 14th that the authority would forge ahead: "We have a busy schedule in the coming two years, but I am confident that our common purpose will enable us to make the expected progress."

Both Nauru and the Metals Company have portrayed the effort to mine the seabed as essential to cutting carbon emissions. Clean-energy technologies such as [electric-car](#) batteries, at least in their current form, require metals, including cobalt, that are found in the nodules in relatively high concentrations. "Nauru is part of a pioneering venture that could soon power the world's green economy," a video produced by the country's government declares. "We're in a quest for a more sustainable future," Gerard Barron, the C.E.O. of the Metals Company, says in the same video.

Marine scientists argue, though, that the potential costs of deep-ocean mining outweigh the benefits. They point out that the ocean floor is so difficult to access that most of its inhabitants are probably still unknown, and their significance to the functioning of the oceans is ill-understood. In the meantime, seabed mining, which would take place in complete darkness, thousands of feet under water, will, they say, be almost impossible to monitor. In September, the International Union for Conservation of Nature, which compiles the "red list" of endangered species, called for a global moratorium on deep-sea mining. The group issued a statement raising concerns that "biodiversity loss will be inevitable if deep-sea mining is permitted to occur," and "that the consequences for ocean ecosystem function are unknown."

Critics maintain that the very structure of the I.S.A. biases it toward mining. To finance itself, the body depends on fees from companies doing exploratory work and on contributions from member states. Many member states seem to have stopped paying; a report from 2020 listed almost sixty countries that owe at least two years' contributions. The I.S.A. is expected to receive a percentage of the profits from seabed mining if it moves forward. The potential for a conflict of interest would seem to be pretty basic. (The I.S.A. said that it could not comment at this time.)

Nauru, for its part, has a long history of disastrous business dealings. Starting in the early twentieth century, the island was stripped of most of its phosphate deposits, a process that reduced a good part of it to a wasteland. In 1968, Nauru, which had been administered by Australia, attained independence. The country used its wealth, which was still being generated by phosphate mining, to invest in a series of money-losing ventures. Now it is banking on seabed mining. Should the rest of the world allow Nauru to dictate the timetable for deciding how the seabed will be governed? The question would seem to answer itself. The noted oceanographer Sylvia Earle has called the attempt to carve up the ocean floor into mining claims the "biggest land grab in the history of humankind." And yet, unless a lot of other nations finally decide to focus on the issue, this is what appears likely to happen.

“Countries have not really come to grips with the reality, which is that their hand is being forced by this two-year rule,” Duncan Currie, an international lawyer who advises the Deep Sea Conservation Coalition, another group that has called for a moratorium on seabed mining, said in a recent interview. “And so, come July, 2023, a decision is going to have to be made as to whether to go down what is a very one-way street toward deep-sea mining at the enormous expense of the marine environment, or whether they’re going to continue to take a cautious view. And, unfortunately, it is an either-or situation.” ♦



[Elizabeth Kolbert](#), a staff writer at The New Yorker since 1999, won the 2015 Pulitzer Prize for “[The Sixth Extinction](#).” Her latest book is “[Under a White Sky: The Nature of the Future](#).”