

Papua New Guinean prime minister's visit

Papua New Guinea's permanent embassy building opens in Tokyo

The Independent State of Papua New Guinea celebrates the opening of the new chancellery of its embassy in Tokyo on March 31 with an official ceremony hosted by Samuel Abal, the minister for foreign affairs, trade and immigration, in the presence of Prime Minister Sir Michael Somare.

The new chancellery is located in the Shimomeguro area of Meguro Ward, on a residential street near the Rinshino-Mori Park, a quiet woodland oasis in the heart of To-

kyo. The construction work was completed in January after about nine months and the ambassadorial corps moved in at the beginning of February, relocating from a rented office in the Mita district of Minato Ward.

Designed by Japanese architect Akira Yokoyama, the 16.6-meter-high building features a white, curved exterior, which was inspired by the South Seas and sails of the local ships. The interior has wood flooring using Papua New Guinean lumber, such as

kwila and rosewood. With five floors and a basement, the chancellery provides ample diplomat offices and meeting rooms.

A permanent chancellery for the embassy in Japan had been a long-standing project since the establishment of diplomatic relations with Japan in 1975, the same year as Papua New Guinea's independence.

Over time, the bilateral relationship has developed through increased trade and development programs. Japan is Papua New Guinea's second-largest official development assistance provider, with funds going toward infrastructure projects such as roads and bridges, as well as to schools and hospitals.

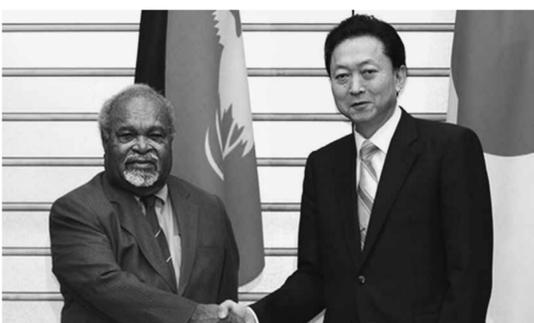
In the recently approved Papua New Guinea Liquefied Natural Gas (PNG LNG) Project, which will produce 6.6 million tons of LNG per year, Japanese company Nippon Oil Exploration is one of the venture partners among the ExxonMobil-led consortium of companies. The project will provide Japan with approximately half of its production through Osaka Gas Co., Ltd. and TEPCO, the Tokyo Electric Power Co., Inc.

The opening of the new chancellery coincides with the increase in regularly scheduled flights between Narita and Port Moresby, the capital of Papua New Guinea. From March 31, Air Niugini flies on Wednesdays in addition to the existing Saturday flight, making two direct flights per week, facilitating travel between the two countries for businesspeople and tourists.

Being the second chancellery to be constructed in Papua New Guinea's history further underlines the significance of the relationship with Japan.



Inauguration: Papua New Guinea's new embassy building in Tokyo officially opens March 31. YOSHIAKI MIURA



Friendly relations: Papua New Guinea Prime Minister the Rt. Hon. Grand Chief Sir Michael Somare meets Prime Minister Yukio Hatoyama in Tokyo on March 29. CABINET PUBLIC RELATIONS OFFICE

ExxonMobil-led PNG LNG Project benefits Japan

Exxon Mobil Corp., the American multinational oil and gas company and the largest of the six oil supermajors, announced March 12 that sales and purchase agreements with liquefied natural gas (LNG) buyers and financing arrangements with lenders are now complete and its affiliate, Esso Highlands Ltd., is

proceeding with full execution of the Papua New Guinea (PNG) LNG Project. The PNG LNG Project is an integrated development that includes gas production and

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Open for business: The new chancellery will promote bilateral relationships including the key LNG project. YOSHIAKI MIURA

Extra weekly flight helps business and tourism

Kenzo Shimada
REGIONAL MANAGER, AIR NIUGINI JAPAN

We extend our sincere congratulations for the opening of the new chancellery of the Embassy of Papua New Guinea and look forward to working closely with the embassy in its task to promote closer and stronger relations with Japan.

At the same time, Air Niugini will start two weekly flights between Narita and Port Moresby by introducing a Wednesday flight in addition to the existing Saturday flight. We express our sincere appreciation



to those who made this possible. The new flight schedule will greatly facilitate the business travel for those engaged in the LNG (liquefied natural gas) project and other activities; tourist travel by introducing three-night, five-day and other convenient itineraries to meet the needs of most Japanese travelers; and travel via Port Moresby to other Pacific destinations such as the Solomon Islands and Fiji. The flight time from Narita to Port Moresby is 6½ hours, which is shorter than the travel to Bali or Singapore.

Attractions in Papua New Guinea include the great, unspoiled nature; the hospitable people; the resort destinations, including Madang, Rabaul and

Kavieng; the marine sports, including diving, surfing and fishing; the mountain climbing at 4,500-meter-high Mount Wilhelm; the birds of paradise, the butterflies, the orchids; and the Sing Sing festival. The new flight schedule is also convenient for short-stay war memorial tours.

The new flight schedule will facilitate timely delivery from Japan of machinery, car parts and other supplies required for the development of Papua New Guinea, and from Papua New Guinea of fresh tuna required in the Japanese market.

We at Air Niugini will build an important bridge between Japan and Papua New Guinea, and South Pacific island states, and very much look forward to serving you on our flights.



Human touch: Beyond the many activities available in Papua New Guinea — diving, surfing, fishing, trekking and bird watching — and cultural aspects, the most impressive for tourists will be the hospitality of the friendly local people and the children's smiles. PAPUA NEW GUINEA TOURISM PROMOTION AUTHORITY

Heartiest Welcome to Right Honorable Grand Chief Sir Michael T. Somare, Prime Minister of Papua New Guinea, and Congratulations on the Opening of Papua New Guinea's New Embassy Building

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Heartiest Welcome to Right Honorable Grand Chief Sir Michael T. Somare, Prime Minister of Papua New Guinea, and Congratulations on the Opening of Papua New Guinea's New Embassy Building

Japan-Papua New Guinea Association
Chairman: Katsuo YAMASHITA

Secretariat c/o Air Niugini Japan Office
Tel: 03-5216-3555

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FUJITA CORPORATION

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Papua New Guinean prime minister's visit

Time for Japan to take action on all levels to strengthen ties

Katsuo Yamashita
CHAIRMAN, JAPAN-PAPUA NEW GUINEA ASSOCIATION

March 2010 marks the most memorable month for the bilateral relationship between Japan and Papua New Guinea. Three important events that reflect the growing, closer relationship between the two countries are taking place at the same time and at the same place here in Tokyo.



First, we welcome the 11th visit of the great leader of Papua New Guinea, the Prime Minister Sir Michael Somare, to Japan, following last year's official visit in May.

Second, the country celebrates the official opening of the chancellery building of the Embassy of Papua New Guinea in Japan, whose original idea had been initiated strongly by former Ambassador to Japan H.E. Michael Mau.

Third, the country's national flag carrier, Air Niugini, succeeded in realizing the long-awaited second weekly flight between Narita and Papua New Guinea's capital Port Moresby from March 31. Until recently, Papua New Guinea and its people have

not been widely known among the Japanese people, except small portions of the older generation who have wartime memories from New Guinea and the Solomon Islands. But we must not forget the Papua New Guinea people's continuous kindness and warm attitude shown to Japan, even though the country's people had suffered bitter experiences during Japan's wartime operations in their land.

We feel most fortunate that, under the great leadership of Prime Minister Sir Michael Somare himself, Papua New Guinea has put great emphasis on the promotion of the bilateral relationship with Japan in their foreign policy, whose evidences are clearly shown in the facts mentioned above.

Now it is our own turn to take concrete actions to make closer the bilateral relationship, considering the importance of Papua New Guinea for Japan. On both the government and nongovernment levels, we can contribute to the development of Papua New Guinea by promoting trade, investment, economic cooperation, the flow of Japanese tourists and development of the abundant natural resources, including forest products, oil, gas and minerals in Papua New Guinea.



Biodiversity: There are more than 850 different tribes maintaining their individual cultural heritage and living in harmony with the great, unspoiled nature, which is also a paradise for an amazing variety of creatures, including 700 species of birds and 3,000 kinds of orchids. PAPUA NEW GUINEA TOURISM PROMOTION AUTHORITY

Large-scale PNG LNG Project

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processing facilities in the Southern Highlands and western provinces of Papua New Guinea; liquefaction and storage facilities with a capacity of 6.6 million tons per year, located northwest of Port Moresby on the Gulf of Papua; and over 700 km of pipelines connecting the facilities.

Peter Graham, managing director Esso Highlands Ltd., said: "The project will be developed in compliance with the highest standards for health, safety, environmental and social safeguards and will maximize the value of the resource, supporting the PNG government's objective to strengthen its economy and infrastructure base for the benefit of its people. The comprehensive national content plan focuses on development of the local workforce, expansion of supplier capability and strategic community investment."

"Funding for the PNG LNG Project will come from the co-venturers and through market-rate loans arranged with export credit agencies and commercial sources. The project team successfully negotiated this complex transaction for the project in a very difficult financial market. We believe our record of developing and operating world-class assets was a key component of this successful financing," Graham added.

In May 2009, the Independent State of Papua New Guinea, representatives of project-area landowners, and four provincial and 10 local-level governments approved the PNG LNG Umbrella Benefits Sharing Agreement, confirming support from landowners and all levels of the PNG government. The overarching agreement outlines the sharing of revenue streams from royalties, development taxes and equity dividends between \$5.6 billion and \$7.5 billion over the project's life.

The government of Papua New Guinea, through its Department of Environment and Conservation, approved the project's environmental impact statement that reviewed factors such as community needs, sensitive environmental habitats and biodiversity.

Text compiled from ExxonMobil news releases.

The participating interests are affiliates of ExxonMobil (33.2 percent), Papua New Guinea company Oil Search Ltd. (29 percent), Independent Public Business Corporation (PNG government, 16.6 percent), Australian company Santos Ltd. (13.5 percent), Japanese company Nippon Oil Exploration (4.7 percent), Mineral Resources Development Co. (PNG landowners, 2.8 percent) and Petromin PNG Holdings Ltd. (0.2 percent).

The PNG LNG Project will supply four major LNG customers in Asia through long-term sales: CPC Corp., Taiwan; Osaka Gas Co., Ltd.; TEPCO, the Tokyo Electric Power Co., Inc.; and Unipac Asia Co. Ltd., a subsidiary of China Petroleum and Chemical Corp. (Sinopec).

ExxonMobil expects that the demand for natural gas in the Asia-Pacific region will more than double by 2030 and that the area will rely on LNG imports to satisfy more than one-third of the demand within this time frame.

Natural gas can help meet the growing need for electricity and it has fewer carbon dioxide emissions than other nonrenewable fuel sources.

The investment for the initial phase of the project, excluding shipping costs, is estimated at \$15 billion.

Over its 30-year life, the PNG LNG Project is expected to produce over 255 billion cu meters of gas. First LNG deliveries are scheduled to begin in 2014, following a construction period of about four years.