

Urgent & Short Term Sites for PNG (5 Years)

SL	Tentative Name of potential SEZ	1. Land	2. Infra	3. Market	4. Investor	5. Commitment	TOTAL
1	Central Industrial Park	10	7	10	10	10	47
2	Paga Hill Waterfront Tourism SEZ	10	10	6	10	10	46
3	Central Province Rice SEZ	8	8	10	8	10	44
4	Sepik Plains Agro Special Economic Zone	10	6	8	8	10	42
5	Pomio Special Agro Economic Zone	10	3	10	8	10	41
5	Central Log Processing SEZ	10	7	6	8	10	41

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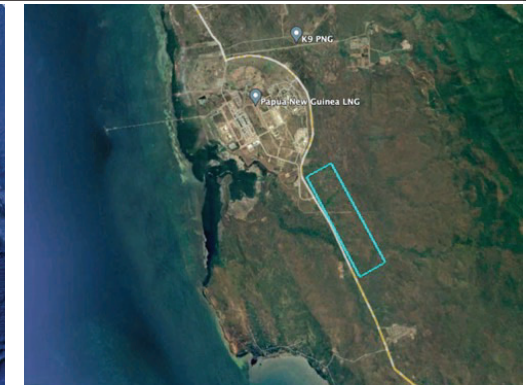
DATA Assessed by Japan Development Institute (JDI) - 9th May 2023

Central Industrial Park

Item	Description
Type of SEZ	Industrial Park (Manufacturing)
Location	Hiri Rural LLG, Central province
Potential Land	The proposed land (216 ha) is under the ownership of Kumul Petroleum Holdings Limited.
Potential Product / Market	Equipment (tanks, pipes etc.) of the Oil & Gas Sector and Mining Sector for domestic use, and other general factories such as processed foods, packaging materials (can & plastic containers), oil refinery & petrochemical, consumer goods, motorbike assembly, etc.
Potential Employment	100-400 jobs/ha x 200 ha = 20,000-80,000 jobs
Development concept	Develop a general industrial zone for factories manufacturing relatively high valued products supported by Capital city's reliable infrastructure of power, road, port etc.



Location of Potential SEZ



Location of Potential SEZ



Proposed Development Concept

Central Industrial Park

Total evaluation point: 47 points

1. Land: 10 points

The proposed land (216 ha) is under the ownership of Kumul Petroleum Holdings Limited (KPHL), who is the developer of the site. Therefore, the score is 10 points.

2. Infrastructure and utility: 10 points

Road & Bridge	Deep Water Port/ Wharf	Airport/ Airstrip	Energy or Power	Water	Sewerage
9 Upgrade localized defects	10	10	8 Connect to reliable power grid or backup to avoid blackouts	3 Build Proper Water Supply	3 Build Proper Sewerage System



Nearby Gas Power Plant

3. Market potentiality: 10 points

The expected demand for factory lots includes KPHL's factories manufacturing equipment (tanks, pipes etc.) of the Oil & Gas Sector and the Mining Sector, which currently depend on import. There is also a demand from a factory of can manufacturing. There is currently good confirmed demand. And it is expected to grow in near future. Therefore, the score is 10 points.

4. Potentiality of investors, tenants and developers: 10 points

The developer of the proposed SEZ is KPHL. KPHL is also the main tenant. KPHL has already started land preparation of the site. Therefore, the score is 10 points.

5. Government commitment (Political will): 10 points

MITI has been involved in this industrial park in many ways such as land, investor, planning etc. Therefore, the score is 10 points.



Land for Project already cleared

Paga Hill Waterfront Tourism SEZ

Item	Description
Type of SEZ	Tourism SEZ
Location	National Capital District
Potential Land	The Paga Hill Development Company (PHDC) secured 99 year state leases (23 ha)
Potential Product / Market	Land for tourism-related property development such residential, commercial, hotel etc.
Potential production / export	The following floor/land will be developed and supplied by the project according to maser plan.
Potential Employment	To be confirmed later.
Development concept	The SEZ intends to boost tourism in PNG by giving incentives to construction and business related to tourism including a cruise terminal, cultural & exhibition center, war museum and restored WWII relics, all in a vibrant waterfront setting.



Location of Potential SEZ



Location of Potential SEZ



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This unrivalled development will transform the look and feel of the nation's capital

(Source: PHDC website)

Proposed Development Concept

Paga Hill Waterfront Tourism SEZ

Total evaluation point: 46 points

1. Land: 10 points

The Paga Hill Development Company (PHDC) has secured long term (99 year) state leases over the Paga Hill Estate site (23 ha) which also includes 5.85 ha of public open space (green and water zones). Therefore, the score is 10 points.

2. Infrastructure and utility: 10 points

Road & Bridge	Deep Water Port/ Wharf	Airport/ Airstrip	Energy or Power	Water	Sewerage
9 Upgrade localized defects	10	10	8 Connect to reliable power grid or backup to avoid blackouts	10	10

3. Market potentiality: 6 points

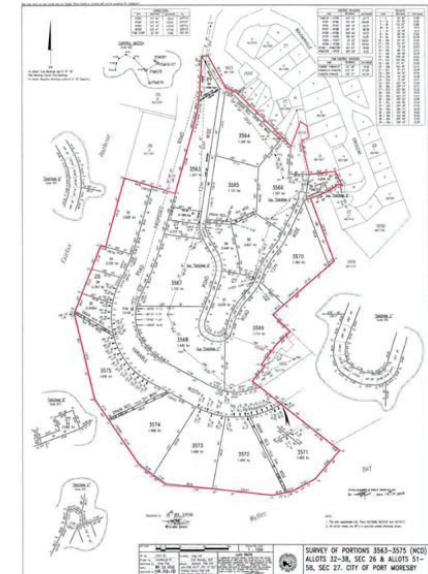
According to the "Paga Hill Estate Information Memorandum Aug20", the tourism market trend may be not so clear. Therefore, it should be assessed again. If the Wharf for the cruise ships and the casino is developed, it is likely to attract tourists. And it is expected to grow in the near future (within 10 years). Therefore, the score is 6 points.

4. Potentiality of investors, tenants and developers: 10 points

The Paga Hill Development Company (PHDC) is calling for formal Expressions of Interest from qualified financial partners and developers who wish to participate as a joint venture partner or participant in the development or ownership of Paga Hill. Now the investor has been already decided and the project has already started.

5. Government commitment (Political will): 10 points

The project was declared a 'Project of National Significance' by cabinet in 2012, and a 'Tourism Special Economic Zone' in 2020. PHDC has conducted a master plan study and an environmental impact study, and has secured full planning permission for their proposed project. Therefore, the score is 8 points.



(Source: PHDC website)

Potential Project Site

Land Use	Gross Floor Area (sqm)
Residential	156,660
Commercial (retail, office etc)	144,951
Hotel/ Serviced Apartments	67,119
Other (open space, cultural)	11,620
Total excl. car parking	380,350
Car parking	101,800
Total incl. car parking	482,150

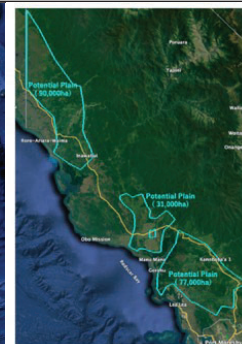
Land Use Plan

Central Province Rice SEZ

Item	Description
Type of SEZ	Agro SEZ
Location	Several low land plains in Central province
Potential Land	<ul style="list-style-type: none"> Overall land area: 324,000 ha in total of 6 plains below Example: 847 ha state land (Kairuku/ Hiri district) Example: Rigo 6000 ha state land
Potential Product / Market	Milled rice for domestic market
Potential production / export	<p>800 ha X 5 tons/ha X 0.6 = 2,400 tons (in case of 847 ha)</p> <p>324,000 ha X 5 tons/ha X 0.6 = 972,000 tons (province total)</p>
Potential Employment	<p>50-200 jobs (in case of 847 ha)</p> <p>20,000-80,000 (province total)</p>
Development concept	Develop a large-scale mechanized commercial rice farm with a modern rice mill for domestic market in short term for import substitution as well as export market in long term.



Location of Potential SEZ



Location of Potential SEZ



Proposed Development Concept

Central Province Rice SEZ

Total evaluation point: 44 points

1. Land: 8 points

There are many potential lands for rice farming in Central province. Here we focus on one proposed land which the potential investors from Philippines are currently interested. The proposed land seems to be the Land (Portion 406) being a 847.25 ha plot in Manu Manu, 75 kilometers west of Port Moresby along the Hiritano Highway near Aroa river . This is a government land. Therefore, the score is 8 points.

2. Infrastructure and utility: 8 points

Road & Bridge	Deep Water Port/ Wharf	Airport/ Airstrip	Energy or Power	Water	Sewerage
9	10	10	8	3	3
Fix localized defects, widen narrow sections				Build Proper Water Supply to match SEZ demand	Build proper sewerage



Existing Paddy Field in Rigo

3. Market potentiality: 10 points

Rice is mainly for domestic market and will be exported in future. The Global market size of rice and chicken is huge (rice export market is 21 million ton). There is already a good domestic market (about 300,000 tons) for rice in the country. And it is growing in near future. Therefore, the score is 10 points.

4. Potentiality of investors, tenants and developers: 8 points

Some Philippine companies are interested in rice projects in the proposed site and already visited it and negotiation already started. Therefore, the score is 8 points.

5. Government commitment (Political will): 10 points

The possibility of rice growing is already demonstrated in Rigo, Central province with good performance. MITI is supportive to this project in terms of land acquisition for the investor. The government is promoting food self-sufficiency and import substitution. Therefore, the score is 10 points.



Field Visit by Potential Investors

(Source: Facebook of MITI)

Sepik Plains SEZ

Item	Description
Type of SEZ	Agro SEZ
Location	Plains in East Sepik and West Sepik provinces
Potential Land	<ul style="list-style-type: none"> Overall land area: 2.5 million ha Example of specific state land (9,688 ha)
Potential Product / Market	Farming and Processing of Sugar, Oil palm, Chicken, Cattle etc. for domestic & export market
Potential production / export	7.5 million ton of palm oil production (in case of oil palm) USD 7.5 billion of palm oil export (in case of oil palm)
Potential Employment	1.2 million jobs (in case of oil palm)
Development concept	Large scale farms will be developed by mechanization. Crops and livestock will be processed at site. Final products will be transported through Wewak port or Sepik river to domestic and export markets.



Location of Potential SEZ



Location of Potential SEZ



Proposed Development Concept

Sepik Plain SEZ

Total evaluation point: 42 points

1. Land: 10 points

Up to nearly 2 million ha plains can be developed in East Sepik. Although there are several state lands (10k-40k ha each) leased for development projects, probably 80 - 90% of the overall land is customary lands. However, if a state lease land like below is to be developed as a SEZ, the score will be 10 points.

2. Infrastructure and utility: 6 points

Road & Bridge	Deep Water Port/ Wharf	Airport/ Airstrip	Energy or Power	Water	Sewerage
8	5	7	3	7	3
Fix local defects and widen narrow road sections along Sepik Highway	Existing wharf is small. Build Deep water Port per agreement with Korean	Upgrade Boram Terminal	Power issue throughout Province. Build reliable Generation	Increase capacity of Chicken farm to match SEZ demand of entire plain.	Build proper Sewerage to match SEZ demand

3. Market potentiality: 8 points

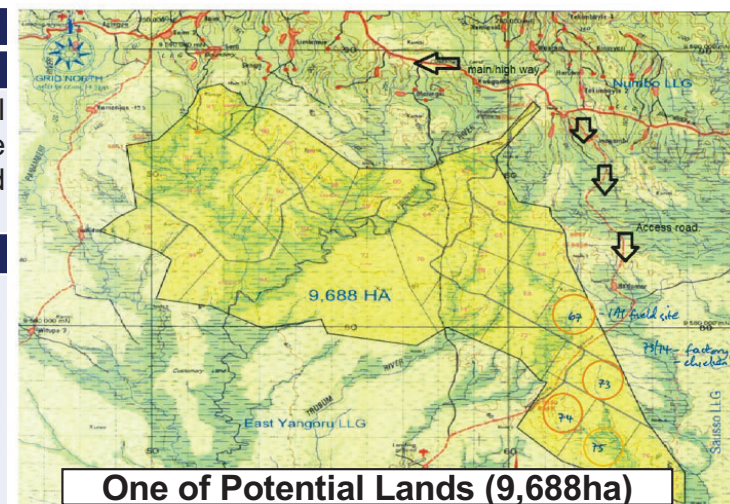
The domestic market for sugar is about 100,000 tons. Palm oil is for mainly for export with the global market of palm oil of about 75 million tons. Maize is mainly for domestic market for chicken feed. The domestic demand for chicken is 30,000-40,000ton (so potential market of maize is 50,000-60,000ton). There is already a good market for sugar, palm oil, rice and maize/chicken in the country as well as oversea. And they are growing in near future. Therefore, the score is 8 points.

4. Potentiality of investors, tenants and developers: 8 points

Foreign investors are expected such as a Thai sugar company who showed their interest clearly. Therefore, the score is 8 points.

5. Government commitment (Political will): 10 points

MP's political will has been confirmed through the actual investment projects brought in such as oil palm, chicken farm etc. Therefore, the score is 10 points.



One of Potential Lands (9,688ha)

(Source: MITI)



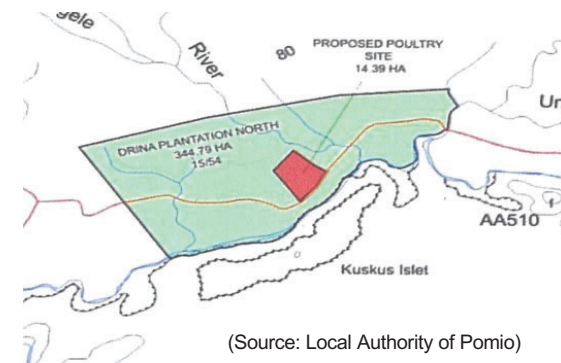
Wewak Port and Roads in East Sepik

Pomio Agro SEZ

Item	Description
Type of SEZ	Agro SEZ
Location	West Pomio/Mamusi LLG, Pomio District (15km from Palmalmal town), East New Britain
Potential Land	<ul style="list-style-type: none"> Overall land area: 344 ha (green color area in the map) Initial development: 20 ha state land (red color area in the map)
Potential Product / Market	Farming and Processing of Chicken for domestic markets
Production / export	5000 chickens per day
Employment	500–1000 jobs
Development concept	Integrated Chicken and Feed Industry, where maize will be cultivated and processed into animal feeds for chickens. After processing the chicken meats, final products will be transported to domestic market by road and ships.

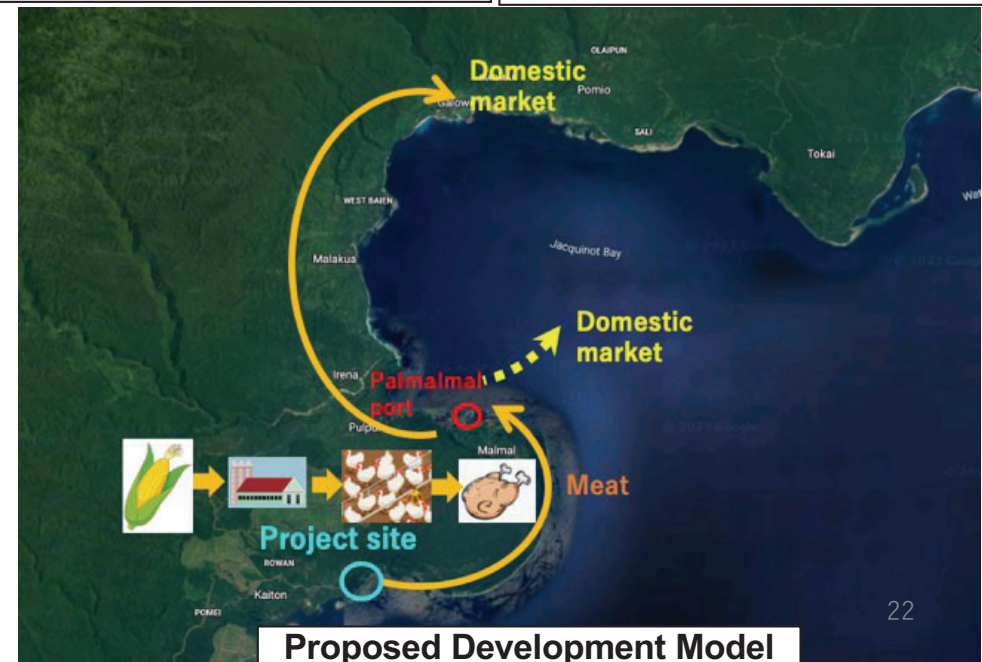


Location of Potential SEZ



Location of Potential SEZ

(Source: Local Authority of Pomio)



Proposed Development Model

Pomio Agro SEZ

Total evaluation point: 41 points

1. Land: 10 points

The location has been identified and acquired by the local government and land clearance for Phase 1 (20ha) has already been done. Total land is 334.70 ha with potential for future expansion.

2. Infrastructure and utility: 3 points

Road & Bridge	Deep Water Port/ Wharf	Airport/ Airstrip	Energy or Power	Water	Sewerage
3	0	5	5	5	0
Build Pomio - Kokopo Highway and seal all district roads	Build proposed Deep-water Port at Unung	Upgrade Jacquinot Airstrip	Connect Power to Site	Connect Water Supply from nearby river	Build private sewerage

3. Market potentiality: 10 points

There is already local demand (East New Britain and nationwide) for poultry and as the income and population grow, the market of poultry and related agriproduct is expected to grow in the future. Currently poultry supply is depending on import mainly from Australia.

4. Potentiality of investors, tenants and developers: 8 points

There is an Identified investor, Indian from Fiji, and already investing in feasibility study at the site.

5. Government commitment (Political will): 10 points

There is strong leadership and will from the local government to invite FDI. Specific development plan has been identified, while the strategy could be improved. Pomio district was awarded as most improved district by the country.



Demarcation of 20 ha land

(Source: Local Authority of Pomio)



Cleared land of 20 ha

Central Log Processing SEZ

Item	Description
Type of SEZ	Wood Processing SEZ
Location	Port Kennedy, Napanapa Road, Central Province
Potential Land	The proposed land is to be located within a total development area of approximately 221ha of titled state land area. It may be further expanded in the adjoining customary land areas.
Potential Product / Market	Log processing factories are expected to invest as tenants. Processed wood products are to be exported. Target market is China, the largest importer of PNG's forest products.
Potential production / export	To be confirmed later.
Potential Employment	100-400 jobs/ha x 200 ha = 20,000-80,000 jobs
Development concept	It is a planned development by the Government for downstream processing of logs into timber and wood products and export to international markets.



Location of Potential SEZ



Location of Potential SEZ



Proposed Entire Master Plan

(Source: MITI)

Central Log Processing SEZ

Total evaluation point: 41 points

1. Land: 10 points

The proposed land is within a total development area of approximately 221ha of titled state land area. It may be further expanded in the adjoining customary land areas.

2. Infrastructure and utility: 7 points

Road & Bridge	Deep Water Port/ Wharf	Airport/ Airstrip	Energy or Power	Water	Sewerage
7 Upgrade Site Access including Causeway	7 Construction Works in progress	10	8 Connect to reliable power grid or backup to avoid blackouts	7 Expand Water Supply to Match SEZ demand	3

3. Market potentiality: 6 points

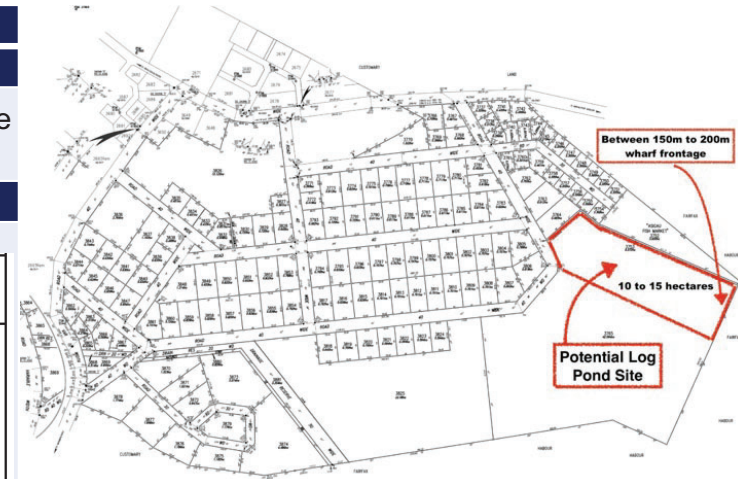
Regarding the demand for factory lots in the proposed log processing park, there is no confirmed information so far. The market is expected to grow in near or distant future. Therefore, the score is 6 points.

4. Potentiality of investors, tenants and developers: 8 points

It is to be developed under the Public Private Partnership (PPP) arrangement. MITI is the government counterpart. Port Kennedy Limited (a private investor) seems interested as a Port Owner, Land Developer and Land Title and State Lease Holder. A third investor may also join. Therefore, the score is 8 points.

5. Government commitment (Political will): 10 points

MITI intends to invest in this project. The master plan has been already made. MITI is also conducting a study of a similar successful project in some foreign country (Gabon). Therefore, the score is 10 points.



Proposed Factory Plot Plan



Proposed Land Plan with Wharf

(Source: MITI)