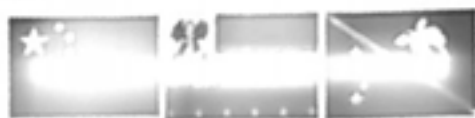




# Executive Summary



## EXECUTIVE SUMMARY

The Pacific Marine Industrial Zone Project in Madang Province, Papua New Guinea represents a vital undertaking towards the economic transformation and integration of PNG Fisheries Industry into the Global economy. With the abundance of marine resources and proximity to the fishing grounds of Western and Central Pacific Ocean, the project will eventually employ additional 25,000 personnel (when fully operational) and generate approximately US\$127 Million only on the Tuna Processing Plant annually in export revenue. Additional revenue will be realized in the operation of Fuel Farm, Container Terminal, Power Plant / other utilities, and the Export Processing Zone.

The Project is envisioned to become the Integrated Marine Industrial Export Hub in the Asia Pacific Region with a joint initiative of the PNG Government, Provincial Authorities, the National Fisheries Authority and major industry players. The export of value-added finished products is the centerpiece of the PNG Government export strategy for the fisheries industry under this present scheme, onshore investment in tuna processing for export is actively encouraged. Thus the promotion of the project will encourage the development of Tuna Processing for export.

Through the Concessional Loan from China Eximbank and China Shengyang International Economic and Technical Cooperation Corporation (CSYIC), the Feasibility Study was undertaken.

Major components of the Project are as follows:

- Fish Port :
  - Cannery (Tuna Processing Plant)
  - Refrigeration Plant
- Fuel Farm
- Container Terminal
- Power Plant / Water Supply / Waste Water Treatment / Solid Waste Handling Facility / Telecommunication
- Export Processing Zone :
  - Locator

The Project will be implemented in Two (2) Phases (see BUDGET) to wit:

|         |   |                  |                                  |
|---------|---|------------------|----------------------------------|
| Phase 1 | : | US\$ 95,000,000  | 38.00 % Projected Accomplishment |
| Phase 2 | : | US\$ 140,000,000 | 62.00 % Projected Accomplishment |

Total Project Cost Amounts **TWO HUNDRED THIRTY FIVE MILLION U.S DOLLARS (US \$235 M)**

Loan amount needed **NINETY FIVE MILLION U.S DOLLARS (US \$95 M).**

Based on Preliminary Assessment, the Pacific Marine Industrial Zone Project is so highly viable and feasible that upon Financial Evaluation and Assessment, only 38% of the \$235 Million U.S Dollars is needed to make the Project Physically Sustainable. The Costs of Developing the Phase II will come from the revenues that will be generated from the Phase I project. The Project will provide a positive economic growth to the Province of Madang. Its strategic location is the ideal transshipment point for commodities distribution in the Pacific Region and making the Province of Madang as envisioned by no less than the Prime Minister of Papua New Guinea – Sir Michael Somare – making PNG a competitive participant in the Global Market.