



31/08/2017

Approved for Release

LOCAL INVESTMENT FIRM EYES RENEWABLE ENERGY PROJECTS IN PORT MORESBY.

PBF AGRO BUSINESS Ltd and its partners have plans to establish two Renewable Energy projects that have the potential to change agriculture landscape in Papua New Guinea.

One an Integrated Energy System (IES) facility can produce tomatoes, lettuce, strawberries and fresh water on a commercial scale using sunlight and sea water at a cost of A\$40.3 million and the other a proposal for steam generation with solar Tower at an estimated cost of A\$37 million for a proposed cooling facility that will provide a cool storage for fresh vegetables and food that requires longer shelf life due to humid and hot conditions in Port Moresby and reduce reliance on expensive fossil fuel run generators.

The combined project cost for the two proposed renewable energy projects is estimated at K195 million (A\$77.3) million.

PBF Agro Business Ltd, General Manager Jerry Kootz Simon, said that the agro investment firm is keen on establishing the project on 20 hectares of flat land, five (05) km from the sea suitable for the construction of an IES near Port Moresby and near second steam generation project on a location near LNG project site in Port Moresby.

“With an Internal Rate of Return of 12% and 16% respectively these two projects make sense because the proposed investment to be paid in between 1 to 2 years of construction period and the net savings can be effectuated each year from year 2 onwards” Said Mr. Simon

“These proposed pioneer projects in PNG and Port Moresby, poised to be a world class project that will be a game changer and fit in with Future City

Concept will address both food security resilience and climate adaption measures by reducing carbon emissions estimated at 400,000 tons per 25 years". Said Mr. Simon

These projects are in line with the PNG Government's recently launched STARS principles for a sustainable development strategy for Papua New Guinea and PNG Vision 2050.

The company has engaged the service of Danish based world renowned clean energy engineering firm Aalborg CSP to do the preliminary assessment of the proposed projects.

"Potential investors , may explore these projects as an investor or offering grant to support his project go to the next stage of pre-engineering design where other details and confidential reports, studies and cost estimates will be shared or disclosed" Said Mr. Simon

"Unfortunately, because of the scale of investment, logistical constraints, and technical know-how required, government has not pursued its plan to roll out the safe drinking water to rural parts of Port Moresby.

But this could all change, with the feasibility study now completed by PBF Agro Business Ltd.

"These two projects if backed by PNG based investors and donors will not only support local communities in improving food security but also give carbon credits to Papua New Guinean's balance sheet in promoting sustainable investment projects that are world class and reduce our reliance on fossil fuel in the long term" said Mr. Simon.

Thank you,

Jerry Kootz Simon
General Manager