



OFFICE OF THE MINISTER FOR FISHERIES AND MARINE RESOURCES

PRESS STATEMENT

MEDIA STATEMENT BY MINISTER FOR FISHERIES, HON. MAO ZEMING ON THE SIGNING OF THE DONGWON TUNA PROJECT AGREEMENT

I AM PLEASED TO ANNOUNCE TO YOU THAT WE HAVE JUST WITNESSED THE SIGNING OF DONGWON TUNA PROJECT AGREEMENT TODAY HERE AT THE GOVERNMENT HOUSE.

THIS INVESTMENT IS WORTH US\$35 MILLION AND WILL PROVIDE 2,000 DIRECT JOB AND 4,000 INDIRECT JOBS FOR LOCALS IN MOROBE PROVINCE. THE PROJECT WILL GENERATE AND PROMOTE MANY SPIN-OFF BUSINESS OPPORTUNITIES FOR THE LOCAL BUSINESSES IN LAE CITY.

THE PROCESSING PLANT WILL PROCESS 200 METRIC TONS OF TUNA PER DAY INTO TUNA LOINS AND CANNED TUNA FOR THE OVERSEAS EXPORT AND DOMESTIC MARKET. BY-PRODUCTS SUCH AS FISHMEAL WILL ALSO BE PROCESSED INTO ANIMAL FEED FOR THE LIVESTOCK INDUSTRY IN PNG.

THIS WILL BE THE 6TH TUNA PROCESSING PROJECT TO BE BUILT IN LAE. THE FIRST THREE NAMELY; FRABELLE, INTERNATIONAL FOOD CORPORATION AND MAJESTIC SEAFOODS ARE ALREADY OPERATING. NAMBAWAN SEAFOODS TUNA PROJECT IS CURRENTLY UNDER CONSTRUCTION WILL BE COMMISSIONED IN EARLY 2016 AND THE NEW PROJECTS NAMELY HAILSIHENG AND DONGWON WILL START CONSTRUCTION IN THE FIRST QUARTER OF 2016. ALL OF THESE PROJECTS ONCE IN COMMERCIAL OPERATION, WILL

PROCESS MORE THAN 1,000 METRIC TONS OF FISH PER DAY AND CREATED MORE THAN 10,000 LOCALS JOBS.

DONGWON INDUSTRIES IS ONE OF THE PREMIER FISHING AND PROCESSING COMPANIES IN THE REPUBLIC OF KOREA. IT OPERATES 15 TUNA PURSE SEINE FISHING BOATS IN PNG AND THE PNA WATERS. DONGWON INDUSTRIES ALSO OPERATES FISHING BOATS IN OTHER FISHING GROUNDS AND IS THE LEADING CANNED TUNA MANUFACTURER IN THE KOREA. IT OWNS THE CHICKEN OF THE SEA CANNED TUNA BRAND WHICH IS VERY POPULAR IN THE USA.

THE DONGWON TUNA PROJECT AGREEMENT REQUIRES ITS FISHING SUBSIDIARY, BULOLO FISHERIES LIMITED TO OPERATE 10 PURSE SEINERS IN PNG UNDER DOMESTIC AND LOCALLY BASED FOREIGN FLAGGED ASSOCIATED WITH SUPPLYING RAW FISH TO ITS CANNED TUNA FACTORY. TWO OF THE TEN VESSELS WILL BE RE-FLAGGED TO PNG AS DOMESTIC AND 8 WILL BE LICENSED AS LOCALLY-BASED FOREIGN FLAGGED. DONGWON'S REMAINING 5 VESSELS WILL REMAIN UNDER FOREIGN BILATERAL ACCESS ARRANGEMENT.

ALL THE VESSELS LICENSED BY NFA UNDER BULOLO FISHERIES LTD WILL BE SUBJECT TO THE VESSEL DAY SCHEME AND THE NEW NATIONAL TUNA MANAGEMENT AND DEVELOPMENT PLAN.

BOUNTY SEAFOODS LTD WILL BE THE LOCAL SUBSIDIARY OF DONGWON RESPONSIBLE FOR PROCESSING TUNA LOINS AND CANNED TUNA.

THE O'NEILL/DION GOVERNMENT IS VERY PLEASED WITH DONGWON, BEING THE FIRST KOREAN COMPANY TO INVEST IN A SHORE-BASED TUNA PROCESSING FACILITY IN PNG. IT IS THIS GOVERNMENT'S POLICY TO SUPPORT 100% OFFLOADING OF TUNA IN PORTS FOR PROCESSING INTO VALUE-ADDED PRODUCTS FOR EXPORT. THE NATIONAL FISHERIES AUTHORITY HAS UNDERGONE MAJOR POLICY AND LEGISLATIVE REFORMS IN OUR RESPONSE TO THE EU YELLOW CARD. STARTING IN 2016, ALL CATCHES IN THE ARCHIPELAGIC WATERS WILL BE LANDED AND PROCESSED IN PNG. NO RAW FISH WILL BE TAKEN OUT OF PNG AND PROCESSED AND VALUE-ADDED OUTSIDE FROM THE ARCHIPELAGIC WATERS.

THE NATIONAL GOVERNMENT WILL ALLOCATE SUFFICIENT FISHING DAYS UNDER THE VESSEL DAY SCHEME TO COMPANIES

LIKE DONGWON WHO ARE COMMITTED TO INVEST IN SHORE-BASED VALUE-ADDING/PROCESSING FACILITIES.THE MORE A COMPANY PROCESSES,THE MORE FISHING DAYS WILL BE ALLOCATED TO IT AS AN INCENTIVE AND ALSO THERE WILL BE DISCOUNTED PRICE OF FISHING DAYS.

I HAVE VISITED ITS TUNA PROCESSING PLANT IN CHANGWON, KOREA AND IAM VERY IMPRESSED WITH ITS QUALITY PRODUCTS AND VERY HIGH FOOD SAFETY STANDARDS. I URGE DONGWON TO TRAIN AND TRANSFER THEIR TECHNOLOGICAL KNOWLEDGE ON OUR PEOPLE TO PRODUCE HIGH QUALITY CANNED TUNA PRODUCTS FOR BOTH THE EXPORT AND DOMESTIC MARKET.

IN CONCLUDING, I WISH TO EXPRESS OUR SINCERE GRATITUDE TO THE GOVERNMENT OF KOREA FOR SUPPORTING THIS INVESTMENT IN THE FISHERIES SECTOR. I ALSO WISH TO THANK DR.LEE, THE PRESIDENT OF DONGWON INDUSTRIES AND THE COMPANY BOARD OF DIRECTORS FOR INVESTING IN THE TUNA INDUSTRY IN PNG.

THANK YOU,

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HON.MAO ZEMING, MP
MINISTER FOR FISHERIES AND MARINE RESOURCES

DATE: 4TH NOVEMBER 2015
