

- **In-Depth Feature:** Deep Sea Mining Project Looms Over Papua New Guinea
- Vanuatu Has a Change of Heart On PACER-Plus

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**“The earth is not ours to do with as we please – we are merely trustees for future generations. We ignore this reality at our peril”**

~ Anote Tong, former President of Kiribati



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## DEEP SEA MINING PROJECT LOOMS OVER PAPUA NEW GUINEA

In issue two of this bulletin, we explored the risks of deep sea mining in the Pacific region (see - [Deep Sea Mining: A Growing Threat to the Pacific](#)). One of the key threats looming on the horizon has been Canadian company Nautilus Minerals’ proposed Solwara 1 project, located 29 kilometres off the coast of Papua New Guinea (PNG). If this project goes ahead it will be the *first ever* commercial deep sea mining project in history.

Solwara 1 will see copper and gold deposits mined from the seafloor at a depth of 1,600 metres. These deposits have been laid down *over thousands of years* around underwater hot springs, otherwise known as hydrothermal vents or chimneys. Such regions of the ocean are known for having unique fauna, such as tubeworms, clams, snails, shrimp, crabs and [many other species that are yet unknown](#). Most of the species living in these regions are slow to reproduce and extremely vulnerable to human disturbance.

In 2019, Nautilus plans to have three remote-control robotic miners crush the chimneys and grind up the deposits, which - along with everything living on them - will be sucked up by a giant vacuum cleaner to a ship on the surface.

According to conservation biologist [Richard Steiner](#), “These are poorly understood deep-sea communities, and we are unclear what the full immediate and long-term impacts of mining disturbance would be. But we do know that thousands of vent chimneys, and their associated biological communities, would be destroyed. It is likely that species yet to be identified may become extinct. And that raises some very serious ethical concerns.”



Once the ore reaches the main ship, it will then be moved to smaller boats heading to China where the ore will be sold to the Tongling Nonferrous Metals Group Holding Co. The Nautilus ship is currently expected to remain at the first project site for three years, bringing up [2.5 million metric tons of ore containing metals worth roughly \\$1.5 billion](#).

Nautilus Vice President, Adam Wright, [is adamant](#) that the project will not adversely impact the local marine environment. He claims, “If you look at deep-sea mining and you compare it to terrestrial mining, there is, in fact, an environmental advantage to going offshore. I think that this is going to be one of the main reasons that we see this new part of the industry develop. Cost of deep sea mining is very small compared to the cost of land-based mining.”

Despite these assurances, an alliance of non-governmental organisations released a [Statement for the Ocean Conference United Nations](#) in June this year, asking all countries to end the issuing of permits for deep-sea mining in their territorial waters. They argue that due to the risk of irreversible and significant environmental impacts, and uncertain socio-economic benefits, deep-sea mining poses a serious threat to global sustainability.

“Nautilus’s claims that they can simply relocate parts of the site’s ecosystem elsewhere don’t stand up to scientific scrutiny, and the effectiveness of any measures to reduce other impacts will be difficult, if not impossible, to verify independently,” says Dr David Santillo, senior scientist at Greenpeace Research Laboratories at the University of Exeter.

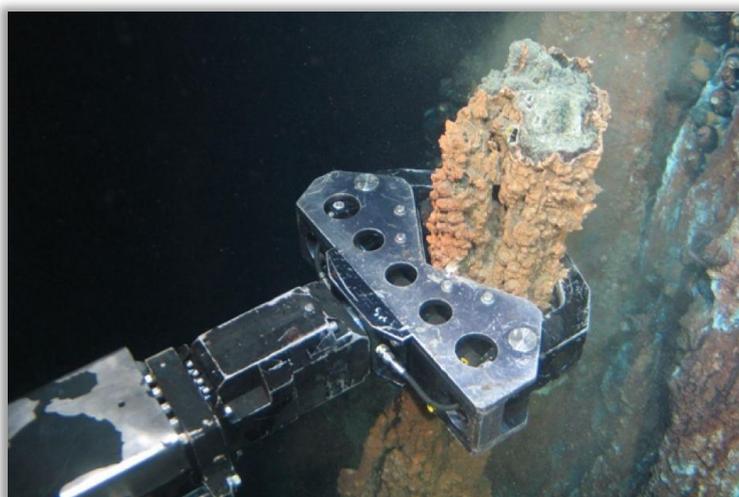
Former PNG Attorney-General, Sir Arnold Amet, [has been vocal](#) about his opposition, stating, “I am concerned that the Papua New Guinean Government has bought a 15% share in a dodgy project. Any operating disasters by Nautilus Minerals will quickly translate into an environmental catastrophe for the Bismarck Sea and its communities. The associated financial liabilities will be huge.”

Representatives of PNG’s faith communities have also spoken out against the project, including the Archbishop of Port Moresby Archdiocese, [Cardinal John Ribat](#), who has been highly critical of Nautilus’s plans for the region.

Another critic of Solwara 1, Pastor Matei Ibak from the Karkar Island Community in Madang, says, “Our people chased Nautilus away from our waters, now the people of New Ireland and East New Britain face pollution in their traditional waters if Solwara 1 goes ahead. Instead of protecting Papua New Guineans the Government is protecting the interest of the company.”

Despite outward appearances, not everything has been going smoothly for the Canadian company. Nautilus has encountered delays for its roughly \$480m project and still [needs to raise \\$150m to \\$250m](#) to move ahead.

[According to Dr. Helen Rosenbaum](#) of the Deep Sea Mining Campaign, “Nautilus is showing off its equipment to a small select group of people from New Ireland and East New Britain to try and buy support for Solwara 1. They know local communities strongly oppose this project. Nautilus is also desperately trying to convince investors that they are making progress. The company is struggling financially because Solwara 1 is very risky economically as well as environmentally. This level of risk has scared off responsible investors who refuse to gamble with people's lives and futures”



At this stage, a further 20 prospects are being explored in the Bismarck Sea for potential mine expansion.

Sources: [World-first PNG seabed mining project forges ahead; miners express confidence about commodity prices](#), ABC News, Sajithra Nithi, 10 December 2016 | [Deep sea mining plans for Papua New Guinea raise alarm](#), Mongabay, David Hutt, 18 November 2016 | [Deep Sea Mining](#), ABC Catalyst, 9 June 2011 | [Statement for the Ocean Conference United Nations](#) | [Can deep-sea mining avoid the environmental mistakes of mining on land?](#), The Guardian, Carol J Clouse, 29 June 2017 | [Solwara One Seabed Mining Set for 2018](#), Papua New Guinea Post-Courier, Michael Arnold, 28 September 2017 | [Nautilus is a Risky Deal – Sir Arnold Amet](#), Papua New Guinea Mine Watch, 20 October 2017 | [‘No’ to deep sea bed mining plans for Pacific, says PNG’s Cardinal Ribat](#), Pacific Media Centre, 31 May 2017 | [Papua New Guinea Contests Experimental Seabed Mining](#), Scoop Independent News, 3 October 2017 | [Landowners remain unimpressed with Nautilus](#), LOOP PNG, 1 October 2017 | Image 1 - Machines intended for use in deep sea mining off the Papua New Guinea coast. Credit: Nautilus Minerals | Image 2 – Remotely operated vehicle takes a rock sample underwater. Credit: Nautilus Minerals | Edited by Kendall Benton-Collins.

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## VANUATU HAS A CHANGE OF HEART ON PACER-PLUS

In issue four of your *Pacific Bulletin*, we provided an update on the comprehensive free trade agreement, PACER-Plus. In June this year the agreement was signed by 10 countries – Australia, New Zealand, Cook Islands, Kiribati, Nauru, Niue, Solomon Islands, Tonga, Samoa and Tuvalu – in Nuku'alofa, Tonga. Just before the signing took place, Vanuatu, following in the footsteps of Papua New Guinea and Fiji, announced that it was withdrawing from the PACER-Plus negotiations until further notice. On 7 September, however, Prime Minister Charlot Salwai went ahead and signed the PACER-Plus agreement at the Pacific Islands Forum Leaders' Meeting in Apia, Samoa.

“We now join the rest of the Forum family to travel together on a long journey of exciting possibilities. Vanuatu is always ready to do business and we have reaffirmed that by signing this agreement. We invite more foreign investors to come to Vanuatu and do business with us – with low tax regime, efficient services and close proximity to the markets now available,” he said.



[Vanuatu's private sector has been less enthusiastic](#) about this new development, expressing surprise that the government decided to reverse its position on PACER-Plus despite opposition from the businesses affected. The Vanuatu Chamber of Commerce and Industry said it understood PACER-Plus would be good for Australia and New Zealand, but it said the Vanuatu private sector was demoralised by the decision.

According to the Inter-Regional Adviser on Least Developed Countries at the UN Committee for Development Policy Secretariat, Dan Gay, the continued absence of both Fiji and Papua New Guinea from the PACER-Plus agreement, seriously dilutes its impact - “...without the two regional heavyweights, any purported gains from intra-regional trade are negligible. The absence of these two countries in effect also works against regional integration, contrary to the purported aim of enhancing regional cohesion.”

Sources: [Vanuatu signs PACER Plus Agreement](#), *The Vanuatu Independent*, 7 September 2017 | [Vanuatu businesses unhappy with PACER signing](#), *Radio New Zealand*, 12 September 2017 | [Development, not PACER-Plus, should be Leaders priority](#), *PANG/PACNEWS*, 4 September 2017 | Image - Prime Minister Salwai signs the PACER Plus agreement at the Pacific Islands Forum Leaders' Meeting in Apia, Samoa. Credit: *The Vanuatu Independent* | Edited by Kendall Benton-Collins.

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