

Kramer is NPCP Chair

Kramer Ausenco Chief Executive Officer (CEO), Frank Kramer, is now Chairman of the National Petroleum Company of Papua New Guinea (NPCP).

The state-owned oil company is estimated to have an aggregated net asset value of USD 4 billion and a 16.6 per cent share of the USD 19 billion PNG LNG Project which is about 75 per cent complete as at early 2013.

Mr Kramer and his fellow board members took their oath of office on 22 February 2013, in a ceremony in Port Moresby where Public Enterprise and State Investments Minister Ben Micah said that the government wants PNG to build on the NPCP balance sheet, and strengthen its capacity to partner resource developers in a meaningful manner, and not become tax and royalty partners.

Mr Micah said he was confident the company's board and management would:

- Start laying foundations for the company to grow and one day potentially match Malaysian-owned Petronas;
- Pay dividends to the state through the Sovereign Wealth Fund (SWF);
- Drive other development agenda with government;
- Develop technical, commercial, and legal skills that are critical to success for a company involved in oil and gas extraction;
- Lead in commercial negotiations for future development projects in PNG; and
- Lead in human resource development.

Mr Kramer said the challenges ahead were significant. He said the foundation framework must be completed, and legislative support to allow the company to operate autonomously with international levels of governance and accountability must now follow.

"Other projects such as Train 3 on the PNG LNG, the Gulf LNG, and the Stanley Condensate stripping plant project are on the heels of the trailblazer PNG LNG.

"This means that NPCP must be operationally ready to step up and play its part in this exciting period in PNG's development," he said.

NPCP, formerly known as Kroton in 2008, is the company nominated by the state to participate in the PNG LNG Project. In November 2011, following the August 2 change in government, NEC moved to shelve NPCP, transfer its employees to the Independent Public Business Corporation, and reduce its mandate to the PNG LNG Project. It was revived by the National Executive Council about four weeks ago.

The six other NPCP directors are, Larry Andagali (Managing Director, Trans Wonderland), Mark Soipang (Chairman, Mineral Resources Lihir Capital), Dr. Ila Temu (Country Manager, Barrick PNG), Mathias Lasia (CEO, Resource & Logistics Solutions), Wapu Sonk (Acting Managing Director, NPCP), and Professor Benedict Yaru (General Manager, ECO Care Engineering).

Kramer takes his oath of office as Sonk, Lasia, Yaru (obscured), Andagali, Soipang and Temu look on. - Picture by MALUM NALU (The National)

