

No. 5 of 2008.

Customs Tariff (PNG LNG Project) (Amendment) Act 2008.

Certified on : 07.10.08



No. of 2008.

Customs Tariff (PNG LNG Project)(Amendment) Act 2008.

ARRANGEMENT OF SECTION.

New Section 9B.

"9B. EXEMPTION FOR PNG LNG GAS PROJECT."



No. of 2008.

AN ACT

entitled

Customs Tariff (PNG LNG Project)(Amendment) Act 2008.

Being an Act to amend the *Customs Tariff Act 1990*,

MADE by the National Parliament and deemed to have come into operation on 22 May 2008.

NEW SECTION 9B.

The Principal Act is amended by inserting immediately after Section 9A the following new section: -

"9B. EXEMPTION FOR PNG LNG GAS PROJECT.

"(1) In this section:-

"Affiliate" has the meaning given in the PNG LNG Gas Agreement;

"LNG Project" has the meaning given in the PNG LNG Gas Agreement;

"LNG Project Company" has the meaning given in the PNG LNG Gas Agreement;

"LNG Project Petroleum" has the meaning given in the PNG LNG Gas Agreement;

"PNG LNG Gas Agreement" means the PNG LNG Gas Agreement dated 22 May 2008 between the Independent State of Papua New Guinea and each of Esso Highlands Limited, Esso PNG Juha Limited, Ampolex (Papua New Guinea) Limited, Ampolex (PNG Petroleum), Inc., Ampolex (Highlands) Limited, Oil Search Limited, Oil Search (PNG) Limited, Oil Search (Tumbudu) Limited, Merlin Petroleum Company, Merlin Pacific Oil Company Limited, Santos Hides Ltd, Lavana Limited, AGL Gas Developments (PNG) Pty Limited, Petroleum Resources Kutubu Limited, Petroleum Resources Gobe Limited and Eda Oil Limited, as amended, novated or replaced from time to time;

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“LNG Project Goods and Consumables” means goods and consumables:-

- (a) that are imported into Papua New Guinea for or by the PNG LNG Companies to be solely used or consumed by the LNG Project in connection with the initial construction of the LNG Project, provided that the goods and consumables are specifically for the gas operations as defined in the *Income Tax Act 1959* except for goods and consumables that are in the nature of prohibited imports and prohibited exports as defined under the *Customs (Prohibited Imports) Regulation* (Chapter 101) and *Customs (Prohibited Exports) Regulation* (Chapter 101); or
- (b) that are imported into Papua New Guinea for or by the PNG LNG Companies to be solely used or consumed by the LNG Project in any subsequent phase of the LNG Project where the total project costs exceeds USD50 million (or equivalent) as provided in the PNG LNG Gas Agreement, provided that the goods and consumables are specifically for the gas operations as defined in the *Income Tax Act* except goods and consumables that are in the nature of prohibited imports and prohibited exports as defined under the *Customs (Prohibited Imports) Regulation* (Chapter 101) and *Customs (Prohibited Exports) Regulation* (Chapter 101).

"(2) Notwithstanding any other provision of this Act, no bond, rate, tax, excise, rent, charge, due, fee, duty, withholding, tariff, or other levy or impost shall be applied or payable in respect of the export of LNG Project Petroleum by an LNG Project Company or any customer of an LNG Project Company.

"(3) Notwithstanding any other provision of the Act, no bond, rate, tax, excise, rent, charge, due, fee, duty, withholding, tariff, or other levy or impost shall be applied or payable under this Act by the LNG Project Companies or any of their Affiliates or any person engaged by an LNG Project Company pursuant to a written agreement on the import, export, use or movement of LNG Project Goods and Consumables to be used or consumed for or by the LNG Project in connection with: -

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- (a) the initial construction; or
- (b) any subsequent phase of the project whose total cost exceeds USD 50 million or equivalent."

I hereby certify that the above is a fair print of the ***Customs Tariff (PNG LNG Project) (Amendment) Act 2008*** which has been made by the National Parliament.

Clerk of the National Parliament.

I hereby certify that the ***Customs Tariff (PNG LNG Project) (Amendment) Act 2008*** was made by the National Parliament on 18 September 2008.

Speaker of the National Parliament.

