

## **2008 NATIONAL DEVELOPMENT FORUM RECOMMENDATIONS**

Two weeks ago the INA's former Director, Mike Manning's innings was cut short prematurely, but the causes he so passionately espoused remain. He contributed enormously to the development of a wide public movement across the PNG community. This movement aims to make Papua New Guinea a better place for its entire population now and into the future, through the efforts of its own citizens, with outside support where needed; not accepting second best for this country, but creating an unified society, free of parochial disputes, and demanding government accountability to every man, woman and child throughout the country (however wealthy and wherever they live), providing public infrastructure and services as required, without waste and corruption, whilst enabling the private sector, especially small and informal sector enterprises (including rural producers) to have fair opportunities within a vibrant economy.

One of Mike's achievements was his critical contribution in establishing the Consultative Implementation and Monitoring Council (CIMC) as a vehicle for regular consultation between government, private sector and the wider community. Each year, as well as various sector committees addressing key economic and social issues (including family and sexual violence), CIMC organises four regional and one National Development Forum, in which wide public views are aired and consensus sought. CIMC is funded by government, together with AusAID and other development partners. The recommendations of the annual forum contribute to government policy, whilst progress (or lack of progress) with implementation of previous years' forum recommendations is monitored and reported.

The 2008 Forums focussed upon service delivery, especially at District level, continuing the theme of opening up, or demystifying the Budget process, aimed at strengthening the community's hand in participating in, and overseeing the provision of public goods, including through public-private partnerships. In summary, the recommendations from this year's National Development Forum are: -

### **Service Delivery in Rural Areas**

Current systems should be made to work, with active community participation through Ward Development Committees, Local Level Government (LLG), and District Planning Committees. Although many prefer operationalising rather than overhauling existing systems, there remains a preference to simplifying the tiers of government, and removing the Joint District Planning and Budget Priorities Committees, or at least strengthening the community's hand in these committees and removing MPs from chairing and unduly controlling them. Refocus on lower levels of government and channelling practical support would foster "rural democracy" and connection between community and government.

#### **Recommendations:**

1. Comprehensive review be carried out clarifying accountability and responsibilities, and providing practical bridges between government and the rural community. This clarification and simplification of government role and responsibilities should enable greater public awareness and control;
2. An extension system be established with trained and qualified staff at district and local levels (including service providers);
3. Ensure public accountability and responsibility along with tougher penalties for corrupt practices;
4. Train, equip and fund officers and LLG personnel for planning and delivering goods and services;
5. Organic Law to specify District Plans be based on LLG and Ward Plans;
6. Proposals for implementing District Authorities and complete removal of Provincial Government be deferred, whilst improving the existing system.
7. A Local Government and Community Commission be established as a regulatory body.
8. Increased responsibilities applied for LLG councillors and staff.
9. 10% of District Service Improvement Program (DSIP) to go towards funding LLG operations/projects.
10. Social contracts developed with established churches involved in education, health, welfare, and infrastructure, women's networks, private sector, non-government organisations and civil society, to deliver services to rural communities.
11. CIMC to be provided resources to conduct similar forums at District and Provincial levels.
12. Ward Development Committees given some operational resources.
13. Information provided to the community at the local level and groomed to implement and oversee projects and laws.
14. Strictly limit politicians' responsibility in implementation of projects/service delivery.

## **Agriculture**

Presentations emphasised the importance of the sector, notably that it is sustainable, provides broad-based opportunities and 'doesn't end up leaving big holes in the ground'. It was stressed that there must be a change of mindset to enable it to meet its potential, with the sector having underperformed for years owing to poor infrastructure and telecommunications, lawlessness, undue politicization of the sector and board appointments, lack of strategic leadership, inadequate research and development support (and now the threat from boom sectors, if not managed carefully and urgently). Participants stressed dissatisfaction over potential waste, lack of transparency and alleged political (and some possibly corrupt) allocations under the problematic National Agriculture Development Plan, and the need for open dialogue with sector participants.

### **Recommendations:**

15. Budgetary allocation for NADP be increased markedly in 2009 and thereafter;

16. NADP guidelines be reviewed by a committee including DAL, RIC, NARI, FPDA, agri-business and WIADU, Planning and Treasury, with a fresh submission to Cabinet. The submission to cover a broader conceptual framework, operation and implementation guidelines including scoping, selection and funding criteria;
17. NADP be managed by technically qualified personnel.
18. Good market access be established, included for food crops;
19. Financial support available for entrepreneurs buying from farmers.
20. One-stop resource centres to disseminate information, including practical skills training, set up in districts, but avoid duplication.
21. Strengthen land reforms to enable land as collateral for agricultural loans.
22. Information on NADP process translated into *Tok Pisin*.
23. Focus on multiple land use, including peri-urban areas, including food security;
24. Simplify NADP processes and make them transparent;
25. NADP project Screening Committee representation should include representation from RIC, Women in Agriculture, banking sector and respected senior Statesperson.

## Food Security

Potential threats to food security were highlighted, including problems accessing markets, production and farming systems, requiring more concerted research effort on agricultural and soil stress from increased cropping and potential labour shortages, notably from HIV/AIDS. National Agricultural Research Institute gave a sharp warning of the impact of global warming and increased drought and proposed a series of interventions needed now.

### **Recommendations:**

26. Stop focusing on Government handouts.
27. Set Food Security as priority in NADP
28. Government to raise awareness of Food Security, develop a suitable policy (with effective consultation) and implement it, down to the LLG level.
29. Resource women in agriculture programs reaching LLGs.
30. Raise awareness at community level about land management for sustainable farming systems.
31. Improve extension services to LLG level.
32. Improve information networks and co-ordinate awareness activities among agencies.
33. Research (including cash and food crop diversification) requires effective delivery systems.
34. Promote downstream processing, including with improving access to finance, training and appropriate technology.
35. Encourage organic farming (where market prospects) and provide suitable support;
36. Assist urban gardening with land, research, extension and micro-finance;
37. Reduce domestic transport costs, notably for food from the Highlands.
38. Encourage local production to replace food imports.
39. Establish an efficient marketing infrastructure for local produce – roads, transport, processing equipment, and training with consideration for incentive;
40. Improve awareness/knowledge of drought resistant crops and drought coping strategies, with better links between research institutions and extension services.

41. Establish water storage and conservation strategies and implement in villages.
42. Establish food and maintain germplasm banks.
43. Investigate production of animal feed using local crops.

## Long Term Agriculture Development

In line with the Government's planned Long Term Development Strategy (LTDS) 2010-2050, develop a long-term agriculture development strategy (LTADS) to ensure sector focus and resources and minimise negative impacts of the ongoing/potential boom from extractive industries on other sectors, notably agriculture.

### **Recommendations:**

44. Performance Grants tied to performance indicators for improvement in Agriculture Sector.
45. Green Revolution Policy reviewed in 2008 with wide stakeholder consultation to ensure more tangible prospective application and impact;
46. The Petroleum/Energy Department to lead formulating a National Policy for Alternative Fuels, involving wide stakeholder consultation;
47. Establish a LTADS Task Force, including DAL, business sector including RIC, NARI, FPDA, agri-business, DNPM, Treasury and Departments of Prime Minister, Transport, Works and Provincial and Local Government with wide consultation;
48. Funding/technical support provided for formulating the LTADS in 2009.

## Private Sector Growth

The removal of impediments to business and investment was emphasised, notably: - law and order problems (including corruption); poor infrastructure, utilities and telecommunications; excessive red-tape (including Personnel Management and the Budget enabling critical technical staff appointments to overcome bottlenecks, (e.g. for work permits and migration). Practical mechanisms are required for private sector to work with government in providing services, training, planning and oversight of service functions. Developing an effective Public-Private Partnerships framework was considered valuable. Presentation of a Private Sector Growth Strategy – Conceptual Framework by the Secretary for Commerce and Industry was welcomed.

### **Recommendations:**

49. Priorities to be given to promoting a dynamic private sector, with private sector needs ignored for too long.
50. Improve infrastructure, law and order and basic services.
51. Free and fair competition through watchdog process such as ICCC, Ombudsman Commission and Auditor General's offices.

52. Public, Private Partnership – Effective system of establishing Partnership if transparently managed;
53. Private sector representation in public bodies, boards and councils, must be appointed on merit, not through cronyism.
54. Skills Development – Provide public training institutions and private training to meet required standards for businesses.
55. Revive the National Working Group on Removing Impediments to Business and Investment.
56. Wider consultation needed for the development of a comprehensive Private Sector Growth Strategy.
57. Promote Small and Medium Enterprise development – review and update SME Policy.
58. Development of an International Trade Policy for PNG.
59. A legislative framework is required and this must be prescriptive and similar to the Performance Management Framework, and included in the Budget, for promoting commerce and trade.
60. Appropriate public investment needed, with attention to opportunities for increased (domestic or foreign) private investment.
61. Support the development and adoption of the National Policy on Informal Economy.

## **Facilitation of Trade and Countering Transnational Crime**

Government (including Customs) must facilitate trade, but the private sector and wider community can also assist government (including IRC) with this task. Major crimes, such as transfer pricing, smuggling, including arms and drugs, human trafficking and smuggling, money laundering, theft of PNG protected species and art, counterfeit materials, are undertaken by unscrupulous criminals, undermining PNG's revenue, health and welfare, peace and security. International crime is lucrative and destructive and needs adequate resources and cooperation to be countered. Community support is needed, and adequate resources provided to Customs, other law enforcement agencies (including Migration and Labour) to perform their functions, in the face of growing trade and crime levels. PNG is in a precarious situation with little capacity to guard its borders and illegal trade, which threaten security and legitimate business.

### **Recommendations:**

62. Adequately fund and staff Internal Revenue Commission (IRC) and other trade facilitation and enforcement bodies (including NAQIA, Police, Migration etc), to encourage honest trade and investment, but prevent/deter crime and threats (including introduced pests/diseases);
63. Improve land and marine border patrolling capacity.
64. Amend Anti-dumping laws to give Customs legal authority;
65. Enhance staff manpower and calibre by reviewing IRC (etc.) terms and conditions;
66. Enforce National Standards over imported goods/services;

67. Increase inter-Agency and International Co-operation on intelligence and law enforcement (including transfer pricing, trafficking etc), and improve training (including for Police, Defence and Customs).
68. Use the media to encourage public awareness and support for reporting suspicious activities;
69. Upgrade outdated laws and revamp law enforcement mechanisms relating to customs, terrorism, and information sharing;
70. Protect and encourage legitimate investors and discourage shady ones;
71. Engage in partnership with Government, NGOs and Communities to improve service delivery by Customs and other agencies.

## **Law and Order**

Crime and corruption continues to undermine the efficiency and effectiveness of service delivery by Government, business and investment opportunities, preventing the community fully benefiting in the nation's development, especially the least privileged and remotest households and individuals (particularly women and children). Some progress has been achieved by some agencies through improved coordination, but greater funding for watchdogs and enforcement agencies is required, including satisfactory work conditions, and greater independence from political interference and patronage, including ensuring inquiry outcomes are auctioned, including prosecutions and deterrence. The Government ratified the United National Convention against Corruption (UNCAC), and is obliged to implement it, requiring adoption of international best practice.

### **Recommendations:**

72. Establish and adequately support an effective Independent Anti-Corruption Commission (ICAC);
73. Adequately fund the National Anti-Corruption Agency (NACA);
74. Implement the recommendations of the 2004 Police Review and monitor its application, including independent membership;
75. Develop a Law and Justice National Framework.
76. Apply a holistic approach to addressing law and order, including encouraging employment creation, universal education and equitable participation;
77. The needs of all Law and Order partners to be addressed;
78. Consider reintroducing vagrancy rules;
79. Education Institutions required for training Law and Order Agency personnel – defence, police, customs, etc.
80. Judicial System to be reinforced to handle greater workload, faster;
81. Develop a National Anti-Corruption Strategy

## **Transport and Infrastructure**

There are increasing levels of compensation demanded for road maintenance by landowners on government and private contractors. Even major contractors face difficulties with insurance guarantees with risks excessive and costly, with commercial

banks unwilling to provide loans. The costs on some sections of the Highlands Highway can outweigh net gains for contractors, which are reluctant to enter projects. Hence, delays are often experienced. Maintenance/restoration contracts over K10 million, (the ceiling for Central Supply & Tenders Board), can experience long delays for NEC approval. Road conditions deteriorate during delays in awarding contracts, raising costs. Strengthening Works Department capacity (including ensuring standards and oversight, and support for LLGs) is widely supported.

### **Recommendations:**

82. The National Roads Authority (NRA) must assume responsibility for maintenance of all national highways as intended;
83. NEC to identify ways to fast-track awarding of road maintenance contracts worth over K10 million to avoid delays in awarding and commencement of road maintenance projects.
84. Works Department to provide technical advice to the Office of Rural Development, for DSIP projects, including scoping of works and supervision, to ensure contractors perform to specifications and standard;
85. NRA to be provided the full 7 toea diesel excise collected by IRC for highway maintenance, not diverted to other programmes;
86. Plans to revive PTB supported, but focussing on ensuring provision/upkeep of basic infrastructure maintenance equipment in all 19 provinces, to assist during emergencies and where there is lack of private contracting capacity, not on VIP fleets, considered an extravagance.
87. Government to address donor funding draw-downs by properly screening and awarding contracts to proven contractors. Pre-qualifying contractors might assist;
88. Draw up a national scheme to meaningfully involve landowners in road maintenance and construction, partly to avoid security and related risks for contractors;
89. Funding required for CIMC to recruit a dedicated Project Officer for the Transport Committee.
90. Reinforce mathematics and science education and training to produce quality and more engineers.
91. Restore Works Department capacity (staffing and funding) for overseeing project design, oversight of contractors and standards;
92. K300,000 limit should be reduced with infrastructure projects following proper tender process and oversight.
93. Revive DOW LLG Technical Services to support infrastructure projects initiated by LLGs and communities.
94. DOW to develop partnership arrangements e.g. with PNGDF, PNG Sustainable Infrastructure Ltd.
95. Separate DOW (and Civil Aviation) supervisory/monitoring roles from project implementation.
96. Establish a committee for emergency infrastructure projects.
97. All infrastructure capacity building projects require DOW technical input and completed works should be certified by DOW.

98. Parliamentary Works Committee needs to be activated and accountable.
99. Develop a National Infrastructure Plan through wide consultation.

The National Development Forum (NDF) recommendations for 2008 have been submitted to Government and will be followed up by the Secretariat, together with recommendations from previous years. Members of the public and private sector go to great effort to participate in the National and Regional Development Forum, to listen and particularly express their ideas and concerns to Government. The public is often frustrated with the limited follow up from Government, with many of the same concerns being expressed each year. The Deputy Prime Minister, Dr Puka Temu, and the National Planning Minister, Paul Tiensten, emphasised at the opening of this year's NDF the importance of this consultation process, including to making government accountable at the national, through to the local level. They stated that Government is listening and will receive and act upon the recommendations from this year's (and previous years') forums. It is up to Government to take this commitment seriously, and up to the wider community (supported by the CIMC Secretariat and other private sector and civil society bodies) to monitor progress and ensure Government honours this commitment.