



PNG at 40 Symposium
Learning from the Past and Engaging with the Future



Summary of Discussions

And

The Five Strategic Priorities Calling for Action

Alotau

1 – 3 March 2016

Institute of National Affairs

PNG at 40 Symposium

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Symposium Overview

The **PNG at 40 Symposium** was organised by the Institute of National Affairs (INA) over 1 to 3 March 2016 at Alotau.

The aim was to develop a home-grown, constructively critical and useful analysis of PNG's forty years of independence, and extract what can be learned from it so as to better manage current issues and prepare for what lies ahead. It is hoped the symposium's output will make a significant and practical contribution to the challenging and continuing task of nation-building.

The three-day, intensive, by-invitation symposium was attended by 40 men and women who have been, are and intend to be engaged in shaping PNG's political and economic development. They came from all walks of life – political, governmental, non-governmental, private sector, academia and the churches.

Nine papers were commissioned from participants for presentation, one for each of the nine discussion sessions. The subjects fell within four broad themes – (i) *PNG as a nation-state*, (ii) *PNG as a developing economy*, (iii) *PNG as an ethnically diverse society*, and (iv) *PNG in the Pacific, Asia and the world*.

Participants debated the issues raised by the papers, shared observations and insights, analysed lessons from past experience, and collectively reached reasoned conclusions about what lies ahead, and how PNG can best manage and influence current and foreseeable problems and issues.

A final session was devoted to *Shaping and Building PNG's future*. Here, the participants built on the conclusions reached in the prior nine sessions and narrowed these down to **Five Strategic Priorities** for the nation. These are –

1. Repair the Broken Political System
2. Shift the Focus from Monetary GDP to Broad Based and Sustainable Economic Growth
3. Restore a Professional, Accountable, Public Service and Institutions
4. Comprehensively and Effectively Apply the Rule of Law
5. Recognise and Promote PNG Culture

This **Summary of Discussions** document captures the essence of each of the nine papers and discussions. It then presents the Five Strategic Priorities, including the issues identified by participants and their suggested courses of action. The time available for discussion of these five priorities was inadequate. It is therefore intended, as a follow up to the Symposium, that informal, voluntary groups from among the participants, will take up each issue, depending on their interest, and follow through on a deeper analysis and developing concrete, practical action plans.

In addition, there is a **Symposium Statement** which outlines how the conclusions of the Symposium will be carried forward for discussion with concerned citizens, institutions and the Government.

Summary of Discussions

Session 1.1 The Character of the Independent State of PNG

PNG inherited, at independence, a democratic political system which has had to cope with the pressures and influences of a deeply tribal-based culture. The “sense of a nation” among PNG’s over 1000 tribal communities, has taken a while to seep into the PNG psyche. There is still a limited sense of common national identity. The political system still struggles with the influences of the tribal based culture and the prevalence of patron-client relationships.

PNG continues to lack a strong political party system and structures. Parties are dominated by powerful individuals and built around personal allegiances and promises of political power and largesse.

The first-past-the-post electoral system helped entrench the patron-client relationship. Members of Parliament can be elected with as little as 7% of the vote. The current Limited Preferential Voting System has helped to some extent. But the issue of too many candidates, each obtaining votes based on promises of returning to his/her voters government largesse if elected, remains.

Over time, the Executive arm of government has taken over Parliament, since it controls the Government’s resources. The Voters-MPs Reciprocal Relationship forces MPs to align themselves with the Executive, acquiesce to questionable decisions, and tolerate corruption since MPs need access to government largesse to pass on to their voters. It has become the ‘politics of service delivery’. Debates on policy within Parliament are limited.

The public service has also been increasingly politicised. Appointments, from senior posts at the national level down to the ward and district level, are increasingly influenced by MPs. This has affected the effectiveness of the public service and reduced public confidence in the service.

Transparency and professionalism in government-decision making has collapsed. Executive commitments are made without knowing how much they will cost. The CACC, once the anchor of good, transparent policy making, does not function effectively, if at all.

Politicians have become project implementers, with a view to keeping their narrow electoral base satisfied and happy. Various institutions of government are being starved of resources; while politicians use available funds and these institutions for their own narrow purposes.

Allocation of public resources is no longer based on needs defined through policy-based analysis by impartial officials; rather, it is done by favouring ‘top people’ and persons, groups and businesses with access to those in power.

PNG now needs to repair the fractured machinery of parliamentary democracy, and in particular to

- restore accountability of Ministers to Parliament for national public policy
- re-assert the role of policy-based analysis of expenditure proposals, and
- re-affirm the responsibility of MPs to serve the needs of their whole electorates.

Summary of Discussions

Session 1.2 Good governance is crucial to building the nation-state

Modern good governance implies democracy, participation, equity, transparency and accountability.

Traditional Melanesian small societies, governed by the principles of kinship, also adhered to the same principles. In political terms - participation and consensus were integral to clan and village decision-making processes. In economic transactions - transparency, accountability and equity governed wealth distribution in ceremonial exchanges, food sharing etc. In resource management - Melanesians were enlightened in their conservation practices and sustainable use of natural resources.

Why then does PNG have difficulty in maintaining good governance?

The relatively small size of the rural communities made it easy to regulate behaviour and manage common resources. However, rapid population growth, access to media and outside influences, the economy /jobs, and changes in lifestyle have changed the situation. Western governance structures (developed in a different context and more or less dropped into PNG) have established wide gaps between authority and the people. Transparency and accountability have been lost

Our governance system is anchored in the Constitution – a well drafted document. But to make the Constitution work, voted-in politicians must have the necessary knowledge, experience and integrity. This has not been possible with either the first-past-the-post electoral system or the limited preferential voting system (which is in many ways more akin to the FPTP system as opposed to a proportional representational system). The Parliament is not getting representatives with the qualities required to ensure good governance

The centrality of the social contract between the state and the people depends on mutual respect and integrity. But the state has not lived up to its side of the bargain. The Executive has come to control the Legislature. The public service is ineffective and inefficient. Decentralisation has failed. Goods and services are lacking. People have lost faith in the state's capacity to deliver services and have sought to use state resources for their own benefit. The modus operandi is an extreme form of the patron-client system. There is wide spread corruption and fraud. The problem is not isolated. The highlands political culture (the big man culture) is now wide spread.

Is the governance system at fault or are the people who manage the system at fault?

Both need to be addressed to make Parliament and current political processes more effective.

There are ways in which traditional Melanesian values can influence governance for the better.

- Membership of cabinet and parliament need not necessarily be restricted to elected representatives.
- MPs need to live in their respective villages, and operate out of their district offices, except during parliamentary sessions.
- MPs and their personal staff should not be project managers. They should provide the space for the public service to fulfil its responsibilities.
- A more transparent, accountable and equitable way has to be established to let the communities decide how to expend District Development Funds – not just for new projects, but also for ongoing services.

Summary of Discussions

Session 1.3 Effective and accessible legal and institutional processes are essential

Laws provide certainty in regulating human behaviour – protecting rights; ensuring justice. Laws enshrine basic values and provide for a minimum standard of behaviour. Laws are thus the cornerstone of a just and fair society.

The PNG Constitution is the cornerstone of our country's governance system. It emphasizes that the people are the ultimate source of State power and authority. It enshrines the tripartite system of government -Legislature, Executive and Judiciary. It underscores rule of law, separation of powers, independent judiciary, fiscal discipline, and oversight / watchdog institutions.

The state of Governance is worrying. There is a growing weakening of the governance system. Parliament legislates to defeat court proceedings. The Executive Government raises revenue and expends funds without the Parliamentary Approval Process. The Executive uses its appointment and removal powers to threaten the Judiciary and other officials. Political patronage captures oversight bodies.

There is also the issue of access to justice for landowners. About 97 % of the total land mass of PNG is customary land. Customary landowners have no security of title, and are not recognised in the courts. Government itself does not respect the Land Disputes Settlement Act and the Land Courts. The Incorporated Land Group (ILG) which was an attempt to recognise land owning groups, has been subverted by the mining and petroleum industries and by some landowners themselves who sell ILG land that they do not own.

The public is losing trust in institutions, particularly the Legislature and Executive. The Judiciary is acclaimed at times as the last bastion of hope. But it is a fragile bastion. It needs to be protected. This loss of trust is dangerous – to the state of law and order, and the public's compliance with the rule of law. It underscores the important role for the media and civil society to be watchdogs in protecting the rule of law.

There is a feeling, fostered by influential politicians and officials, that the acts of government ministers and public officials derive their power from some general principle of government authority, and should not be questioned in court. Clearly this is a matter for concern where such acts are suspected of being done as part of or on behalf of an illegal activity, or where there are indications of a pattern of misuse of official power for private gain—the most common definition of corruption.

It is especially critical that an independent, non-political body or mechanism appoints heads of oversight bodies such as the Ombudsman Commission.

Non-State actors have a key role in upholding democracy, supporting the rule of law, exposing corruption. Media freedom and freedom of association are guaranteed by the Constitution. Key questions are - is the media fulfilling its crucial watchdog role? Are professional bodies upholding professional standards? Have unions and some NGOs (including some churches) compromised their positions for short-term gain?

Summary of Discussions

Session 2.1 Economic Growth in PNG is commonly defined as an increase in monetary GDP

GDP is not a direct measure of welfare of the population. It is a measure of the total value of goods produced and services provided in any one year. It says nothing about the well-being of the population. "You cannot eat GDP". It is a crude tool, with substantial limitations

GDP growth does not equate to revenue growth. PNG has recently had one of the highest GDP growth rates but yet government revenues remain under stress, services underfunded, and people, by and large, are worse off. PNG is ranked poorly out of the 180 countries for the HDI. It has failed to achieve any of the MDGs. Its per capita income is still well below Fiji's and most of the region. Household income for a substantial portion of the population is going backwards.

PNG is a resource rich country with huge potential. Its natural wealth provides excellent opportunity for broad based and diversified economic growth. PNG has had good growth for some years, primarily due to the extractive sectors. This is now stalling. When the current LNG and operating mines come to the end of their lives, PNG's high economic growth levels will significantly drop.

The minerals sector has already been experiencing falls in prices for its commodities. Foreign currency reserves continue to fall, drastically forcing the value of Kina down. Government revenue will not increase at the rate originally projected. This will put real pressure on the Government's ability to finance projects and to provide services.

We need the productive sectors to grow. There is no constructive, coordinated plan to develop the sustainable sectors of the economy. Approximately, 87% of the population that live in the rural areas of PNG depend on agriculture and fisheries. These sectors of the economy are not given priority for development. Their contributions to overall GDP are falling. Poverty in rural areas is increasing and will continue to do so.

It is very important for Government to engage with the private sector to expand and grow the renewable sectors – agriculture, fisheries. Private sector is the key driver for economic development and growth. For the private sector to grow, it needs a conducive investment climate and an enabling environment (infrastructure, law & order etc). The World Bank report on "Ease of Doing Business"(2008) ranked PNG 84th out of 175, lower than Tonga, Samoa, Kiribati, Solomons and Palau.

Education, especially technical education, is also critical. Sixty percent of the population is under the age of 25. There is an urgent need to create more opportunities for young people. We should be alarmed at the dropout rate of PNG where out of 24,000 grade 12 high school graduates, only 4700 spaces were provided for further tertiary education. How is PNG creating opportunities for young people?

The issue of population growth is also a critical factor. At its present growth rate of 3.1%, it lowers per capita national income. Services cannot cope. The Government needs to effectively implement its population policy.

Summary of Discussions
Session 2.2 Sustainability of Economic Growth

High rates of GDP do not necessarily translate into better levels of well-being in the community. There is also growing inequality in incomes and services across the country.

The PNG economy is overly dependent on the extractive sectors. Its recent high growth levels are not sustainable, particular with declining commodity prices. There is an urgent need to diversify the economy.

PNG inherited an economy that was heavily dependent on world market forces and even though we weathered the initial decades fairly well, we continue to experience declines in revenue. Compounding this is the small and weak tax base.

PNG has one of the highest rates of population growth in the world. This high rate of population growth puts pressure on resources and ability of government to provide services to the growing population. More than half the PNG population is below the age of 25. If high population growth outstrips GDP growth then quality of life will continue to decline.

A related issue is that the extent of high quality agricultural land is limited. With the population heading for 14 million by 2040, if the present situation in which people pretty much feed themselves is to be maintained, a lot of work will be needed in supporting village-based agriculture.

PNG has developed some very sound policies. The key problem has been the inability of the country to implement those policies. A suggested cause of non-implementation of policy is the rapid turnover of ministers and key departmental staff, as well as the politicization of the Public Service.

Planning is deeply flawed. The central agencies have failed to provide and manage a robust policy making and planning process. There is increasing lack of consultation between coordinating agencies and sub-national governments. Good policies are often undermined by inconsistent / ad hoc NEC decisions. There is virtually no monitoring of and accountability for implementation in all areas of policy.

The focus on service delivery in the form of MP-driven 'projects' is not helpful. It is far more important to focus on how to enhance growth in the districts, and create employment, while supporting the essential systems and processes for ongoing services.

Failure to maintain state assets is also a major factor impacting service delivery as assets crumble with little intervention in sight.

Corruption is extensive despite having policies and systems in place to deal with it. There remains questionable public tendering and inadequate contract oversight. Diversion of funds away from legitimate projects by dishonest contractors and government officials is prevalent. The same citizens who complain about corruption are also making demands on politicians and civil servants for personal benefit and yet they don't see that as wrong. Corruption is prevalent in the private sector as well and is also driven by foreigners.

Summary of Discussions

Session 3.1 Recognising and Managing Cultural Diversity

Culture is directly connected to managing cohesion in society and ensuring sustainable development; it is also part of PNG's Constitution which requires citizens to "acknowledge the worthy customs" of the country.

Three questions need to be considered in regard to culture: What kind of PNG do we remember? What kind of PNG do we live in now? What is the PNG that we see or want for the future?

Our memories and our understanding of our collective past define who we believe ourselves to be now, and where we may go in the future. PNG's history has been one of a rich, diverse set of cultural traditions. These need to be remembered and promoted. They provide a sustained basis for national pride, confidence and self-awareness. The history of the colonisation of PNG should not be denied but should be embraced because Papua New Guineans participated in the process in numerous roles. The Pacific War should not be forgotten; hundreds of Papua New Guineans participated as soldiers and carriers, and villagers suffered great privations.

The PNG we live in now is struggling to do what is needed to sustain PNG cultures and a sense of nationhood: the National Cultural Commission is being disbanded, the National Museum is chronically underfunded and the School of Art is closed. The extraordinary outburst of creative energy that saw plays, poems, novels, art work and sculptures in the 1970s after independence has not been sustained. Public performance spaces are disappearing. Ethnicity and culture are used to brand whole groups of people as criminals. Culture is left out of the classrooms of the country. Culture has taken a backseat to economic development, though culture has an important economic value as well as its social significance.

To achieve common values in a country characterised by very high levels of cultural diversity will require a holistic approach to education, the use of languages in vernacular languages in elementary schools (a recently disbanded program), cultural performances in public spaces, and a better understanding of the history of PNG, both individual and collective.

There are some worrying trends. The impact of evangelical fundamentalist churches on the sustainability of cultures eg. New Ireland school children being prevented from dancing by the evangelical pastor; the role of the media in concentrating on particular aspects of culture, such as Manus dancing or the Mudmen, and completely ignoring others; the failure of young people to use family names and instead using Christian and introduced names; the vernacular elementary teaching program being closed; the influences of modern globalised internet-based music and culture.

On the other hand, there are some encouraging developments. Nicholas Garnier at UPNG is producing posters showing traditional artefacts of many cultures in PNG and displaying the posters in public places like markets, council chambers, Facebook. Gideon Kakabin is using social media to raise cultural history awareness. Peter Tate is posting on Facebook hundreds of historical photographs from all over PNG taken mainly by German and British administrators and missionaries in the 1890s. John Waiko has written a school PNG history book.

Summary of Discussions

Session 3.2 Melanesian Identity: Adapting or Disappearing

The Melanesian Identity is made up of many characteristics - physical appearance, language(s), religious beliefs, taboos, traditional practices, recognised machinery of national governance, respect for national symbols, characteristic dress and body decorations, architectural styles and use of materials, horticulture, agriculture, use of marine resources.

Our Melanesian identity is being reshaped by population growth, pressures on land resources, contact and interaction with non-Melanesians, religious teaching and formal education, participation in imported governance systems, monetisation of values and relationships, travel and telecommunications, access to new sources of power and wealth, globalisation.

There are concerns with regard to how we preserve our Melanesian identity. The greed for money and power has contaminated politics and society. Domestic violence is increasing as customary rules about family relationships break down. Incoming foreign businesses are obtaining customary land by corrupt payments. There is no concerted, well-funded national programme for conserving and teaching the good and useful aspects of our PNG identity.

Languages, dance, painting are important aspects of the Melanesian identity. It is critical to promote a multi-lingual society, the use of traditional dress, the teaching of traditional dances.

Of particular concern is the increase in violence against women. This is not part of the Melanesian identity. But when we deal with this issue, we should also keep in mind the aim of protecting the whole family. In this connection, we need to underscore that violence against children, often by both parents, is not acceptable.

We should recognise the emergence of “neo-tribalism”- such as schools, neighbourhoods, predatory elites and their influence on culture and the Melanesian identity.

PNG’s Melanesian culture cannot escape the influences of globalisation. We do not need to resist these influences. We do need however, to reflect on the valuable aspects of our Melanesian culture, and seek ways to preserve and cultivate these.

Often youth do not know about the history of PNG culture and do not have a sense of pride and ownership. We need proactive action to preserve the valuable aspects of Melanesian culture. Educated Papua New Guineans should build permanent homes in their villages of origin and work to influence their local community positively, in particular in regard to preserving their culture.

Summary of Discussions

Session 4.1 PNG and its Bigger Neighbours

PNG belongs to both the Pacific and the Asian region. This is a uniquely valuable position to be in.

PNG has large, dynamic, prosperous neighbours including Australia, Indonesia, China, Japan, the USA, S Korea, Taiwan and the ASEAN.

Australia is by far the largest aid partner. But PNG needs to look beyond 'aid'. PNG's focus should be on trade – a major economic goal. Major resources are devoted to gaining access to far away markets such as the EU. Relatively little effort is devoted to cultivating the Australian and NZ markets. PNG also has a strategic military significance for Australia.

PNG currently has a common border and cordial relations with **Indonesia**. It has a market of 240 mln people. The issue is - how can PNG exploit this market? The West Papua issue remains alive. PNG's Melanesian links cannot be ignored. PNG has an important role to bring the contesting parties to the table to talk rather than leave things as they are. Indonesia must guarantee protection of human rights and the improvement of the standard of living for West Papuans.

PNG has a growing relationship with **China**. China's investments in PNG are welcomed. But PNG culture and laws need to be respected. Chinese companies do not always adhere to this principle. China is also a huge market with lesser stringent trade access rules than EU or Australia, Japan or USA. PNG needs to exploit this.

USA is important in terms of regional security, potential investments, and trade (eg fisheries, tourism). **Taiwan** has important potential for technical and educational exchanges. **Japan** is both, an important aid and trade partner. We can learn much from **Malaysia** and its economic model and policies.

PNG has a strategic location in a fast growing region. It needs to be more agile in accessing and exploiting opportunities. Trade and investments are a priority. The business community needs to strengthen its business acumen; they need to learn from Asia. There is also need to establish stronger governance and law & order to attract investments and manage sustainable relationships.

The fact however is that there is no a clear and strategic foreign policy. At least not a policy which is seen clearly in action. The stated policy is supposed to be built around four principles - "Friends to all and enemy to none"; "Look north"; "Selective Engagement"; "Connecting Globally". The four foreign policy statements above have remained just statements. They have not been translated into strategies, specific goals and targets to achieve the Vision 2050. They do not define PNG's posture in Asia, or the world.

The asylum seekers policy is suggested to be an example of ad hoc policy in the absence of foreign policy. The national interest and threat to sovereignty were not considered in the arrangement.

Summary of Discussions

Session 4.2 PNG and the Pacific Islands

PNG was admitted as a South Pacific Forum Observer in 1973; full membership was achieved in 1974. As a member, PNG has added its voice to regional discussions on nuclear testing, shipping and fisheries.

PNG's relationships with the Pacific region has waxed and waned over the years. In 1986, it helped establish the Melanesian Spearhead Group (MSG). PNG has been a generous contributor to both the MSG as well as the Pacific Islands Forum.

PNG is arguably still not fully present in the region; it has often asserted an independence from Pacific regionalism. As the largest nation-state in the region, PNG frequently prioritises sovereign interests over its regional relations, with its domestic priorities shaping its approach to regional trade and fisheries in particular.

PNG has major long-term revenues from the agriculture and fisheries sector in the region. PNG's private sector reaches across the region, such as the Bank of the South Pacific. PNG is also a sometimes-donor in the region; though this is significantly correlated to its resources boom. There is however, much potential for development of trade and investment links with the region in the productive sectors and supply chains such as in coffee and cocoa, and in service sectors such as tourism.

PNG has a major role to play as a bridge to Asia. In terms of inter-connectedness, it can link the Pacific to ASEAN since it is an observer (and member-in-waiting) at ASEAN. It is a member of APEC, the largest trading block in the region. The airline Air Niugini, connects some Pacific islands to Asia. Recently, Air Niugini has entered into discussions with a number of Forum island countries in extending its routes across the Northern and Eastern Pacific. Establishment of these extended air linkages will provide significant impetus and interest for trade and investment through niche industries, primarily tourism and associated industries.

Papua New Guinea's prominent position as a member of sub-regional bodies such as the Melanesian Spearhead Group and the Parties to the Nauru Agreement also presents opportunities to establish consistency or complementarity between regional and sub-regional activities.

PNG has particularly demonstrated that its sovereign interests are worth more than its regional interests. The tendency is to assert its political strength bilaterally. PNG has the potential to be a great regional leader. The Framework for Pacific Regionalism is an opportunity. PNG was the Chair (2015) of the first Pacific Islands Forum Leaders Meeting where regional priorities were identified through the Framework

The Five Strategic Priorities Calling for Action

These Five Strategic Priorities emerged from the papers and discussions of the nine sessions described in the earlier Section. The Symposium discussed these Strategic Priorities on the final afternoon of the Symposium.

This Section summarizes the Issues under each Strategic Priority, and suggests Strategies to address them. These are indicative in nature. Further analysis, consultation and refinement post-Symposium will be required.

Summary Report on Strategic Priority for Action – Area 1

Repair the Broken Political System

Issues

- Respect for the Constitution and its overall governance intent, as well as the application of its various provisions seems to be weakening and waning.
- Executive has taken over Parliament. There does not appear to be a separation of powers between these two bodies anymore.
- The provision of goods and Government largesse has become the means and end to parliamentary politics. There is a need to revisit the constitutional provisions that separate the roles of the public service and MPs in relation to service delivery.
- Debate in Parliament on Executive policies and actions is very limited. Discussions/debates on the Government side have often been confined to the Caucus and therefore are not repeated on the floor of Parliament; there is consistent lack of scrutiny.
- The Electoral Process is flawed and mainly due to human factors. The LPV does not help to elect truly representative people to Parliament.
- Political Parties are not anchored in any policy based platform or ideology. Money politics is the name of the game. Alignments and coalitions are affected with the offer of access to government largesse.
- The Speaker is no longer independent; the role has been reduced to spokesperson for the Executive.
- The use of PSIP and DSIP by Parliamentarians for their own pet projects has undermined the planning processes and the systems-based approach to service delivery. It brings into question the sustainability of service provision. It has given rise to corruption and cronyism. There is no independent oversight and monitoring of how these public funds are used or the benefits accruing to the people.

Strategies

- Minimum qualifications for parliamentary seat candidates should be introduced.
- The Government, with the help of the public, must assure the Electoral Commissioner is independent.
- Introduce Voter ID System and electronic voting where feasible;
- Retain portion of seats for women and representatives of key segments of society.
- Encourage the start-up of policy-based political parties, especially for the next election. Also, the OLIPPAC must have specific provisions to encourage the establishment of parties in the electorates.
- Encourage the parliamentary committee system to start functioning again.
- Introduce tighter controls on the use of the PSIP and DSIP funds. In that vein, strengthen the Auditor-General capacity, the Parliamentary Accounts Committee and community-based auditing to ensure these funds are used appropriately.
- Ensure that Districts have equal access to PSIPs and DSIPs. Though, the principle of equal funding for districts with very different populations and accessibility should be reviewed as per NEFC assessments.
- Coordinate the planning process and ensure that plans from wards, districts and provinces are fed into the process. The DDAs should be brought into this planning process.
- Constitutional office holders should be appointed by an independent body.

Summary Report on Strategic Priority for Action – Area 2

Shift Focus from monetary GDP Growth to Broad-based Economic Growth

Issues

- GDP is a monetary value of annual economic activity or flows. It is not a record of how much monetary value is actually retained in PNG. It tells us little about the general well-being of the people or how GDP is distributed.
- There is currently no system to track the well-being of people. Little or no data. Not even on how the budget has been utilised to address this concern.
- The inequality gap between the well-connected and regular people grows.
- There are increasing regional disparities in incomes and growth, and between urban centres and rural areas. .
- The population growth continues unabated. At its present growth rate of 3.1%, it lowers per capita national income. Services cannot cope.
- The government needs to shift emphasis from monetary GDP and extractive industries to broader-based economic and sustainable development. Greater emphasis on the renewable sectors, which provide broad opportunities for employment and distribution of wealth.
- Government policy needs to focus on agriculture, fisheries, tourism, sustainable forestry, related value-adding industries, and supporting infrastructure.
- Government needs to rethink how it can work with the private sector to revitalise these sectors.

Strategies

- Re-visit the Budget and its strategic focus. Review strategies and resources devoted to the renewable sectors? Strengthen support to health, education, clean water and sanitation.
- The CACC needs to be restored to its role as coordinator of policy and strategic focus. It should be recommending to the NEC policies and budget allocations to address the strategic objectives of government. Currently the Budget is prepared in isolation, by a few ministers and advisers. It should have a more transparent process. Line ministries must be asked to submit to CACC their strategic objectives, plans and budgets. Link plans and budgets.
- Plans from wards, districts, provinces should be encouraged and consolidated at national level.
- Ensure PSIP / DSIP funds are applied and accounted for, both locally and nationally, to support plans for sustainable development in the provinces/districts, rather than for pet projects of MPs.
- Establish tangible indicators of progress in sustainable development which can be monitored, with government performance on these indicators systematically monitored and reported publically. Quarterly reviews by CACC of the use of the Budget are essential.
- The population policy needs to be appropriately resourced and implemented effectively.
- There needs to be greater public accountability. Monitoring and reporting of performance by departments, provinces, districts are essential.
- Reform public financial management systems. Promote a culture of accountability and performance through improved auditing and monitoring of performance
- Improve the enabling environment for private sector development, including by strengthening the rule of law and provision of reliable public goods and services (access to power, transparent land administration, licensing, procurement etc)

Summary Report on Strategic Priority for Action – Area 3

Restore a Professional, Accountable Public Service and Institutions

The Public Service in PNG is highly politicized at all levels, but the degree of politicization is more conspicuous at the executive levels. The principles of political neutrality, anonymity and impartiality are embedded in the Constitution; but these principles are often diluted or ignored. Decisions on personnel matters are often influenced by ethnic, regional or political factors. Politicians perceive senior bureaucrats as representatives of regional, provincial, or tribal interests, rather than as national public servants. Many of these office holders neither have the capacity nor the experience to deliver quality and competent work. In some cases, multiple appointments are made to the same position in a short period, thus demoralizing and confusing public servants.

Issues:

- Public Service has become highly politicized.
- Legal provisions of the *Organic Law for Provincial and Local Level Government* now allow politicians to appoint civil servants at Provincial and District Levels; hence nepotism and cronyism have taken over.
- The CACC and PSC have become dysfunctional. In their operating absence, the public service has become rudderless.
- Discretionary funds (PSIP and DSIP) are effectively allocated to MPs for their electorates. They provide the major funding for the District level but are largely unlinked to the Provincial and District Budgets and Planning processes. Some Districts function better than others.
- Skills of public service officials have deteriorated. There is no systematic, rigorous training.
- Work ethic among the public service has deteriorated. Some senior civil servants do not provide a good example. There are no consequences for bad behaviour. Rules are not enforced. The Church health/education services provide a better model for service delivery and accountability.
- Financial management and accountability is poor; in some cases non-existent. Corruption is rife.

Strategies:

- Political and bureaucratic leaders need to re-establish the necessary trust and performance of the public service institutions.
- The PSC and DPM need to be re-merged. This is the first and necessary step. The new agency must follow a transparent and accountable appointment process for all key appointments
- Urgent up-skilling of public servants is required including the re-establishment of Regional Trainings Centres; use available aid funds if necessary.
- PNG-IPA should develop centralised and compulsory courses for middle & senior management.
- Make CACC functional again. Its role is to manage public sector policy; to support NEC in its policy decisions; to coordinate central agencies on the preparation of the budget based on established policy, the MTDP, and NEC priorities; to coordinate and advise sector departments, statutory authorities, SOEs on their strategic priorities; to monitor budget expenditures.
- The PSIP/DSIP should be aligned with the mainstream planning, budgetary, and accountability processes.
- MPs should be made to understand it is in their interest to support systemic approaches to services in their electorates – to ensure sustained services and avoid waste. They need to move away from the ad hoc 'project' approach to the program and systems approach.

Summary Report on Strategic Priority for Action – Area 4

Comprehensively and Effectively Apply Rule of Law

Issues

Adherence to the rule of law in PNG is deteriorating. The symptoms of this are on the increase.

- Often, there is simply ignorance of the law or ignorance of appropriate norms.
- There is also often flagrant disregard for and non-compliance with the law or lawful norms.
- Detection mechanisms are generally weak and ineffective.
- Data on past civil and criminal prosecutions is usually not maintained and therefore not easily accessible.
- The institutions charged with enforcing the law are often unable or ineffective in enforcement or prosecution.
- Courts entertain unnecessary applications.
- Judgments are often delayed; Justice delayed is justice denied.
- Lawyers file frivolous and vexatious applications to clog up the system.
- Penalties are often light and not proportionate to the offence.
- There is little deterrence from malpractice including in public office.

Strategies

- Increase awareness of key laws such as those relating to the management of public accounts, the nature of public funds, land and resource legislation etc through public campaigns.
- Encourage public participation in detection of corruption and misdemeanours. Encourage public access to information (as required under the Constitution) and to demand accountability.
- Encourage reporting by the public/whistle blowers, access to legal aid, advocacy services by the public (including resource owners in the face of disenfranchisement etc)
- Improve law enforcement data management.
- Improve other detection mechanisms, including bank transactions under POCA and Auditor General, customs & immigration, social auditing and reporting at the local level etc.
- Recognise and promote awareness of human rights (especially rights of women and children) and associated laws through the community – including within law enforcement
- Revive and empower NIO/or establish new organizations.
- Training.
- Insulate institutions from political influence.
- Establish and adequately resource independent institutions like ICAC.
- Provide clear disincentives for malpractice.
- Create and /or empower watchdog mechanisms including on watch dog institutions.
- Provide for harsher penalties.
- Appoint more women magistrates, family violence units, training and social protection mechanisms including accessible safe houses, and professional support capacity.

Summary Report on Strategic Priority for Action – Area 5

Recognise and Promote Papua New Guinean Culture

Issues

- Loss of cultural awareness and values, and this particularly starts with vernacular languages dropping off in use (especially with urbanization). Soon many will be lost to future generations.
- The influence of globalisation, related western influences, social media and the like are hindering youth from appreciating our history and cultural identity.
- Traditional community values are being lost as young people become urbanized and lose contact with small, cohesive communities.
- Recognition of the value of contemporary culture, some vibrant, but some distorted – such as misrepresenting culture and traditional values – e.g. the misrepresentation of social roles, like bride price and distorted views over sorcery leading to violence against alleged sorcerers.
- There is no government policy, program or specially dedicated cultural spaces to encourage the spread and formal education on PNG culture.

Strategies

Language

- Train Teachers of Early Learning on the imparting of cultural history, values, and practices (e.g. in the training of elementary teachers introduce older community leaders who are well versed in cultural traditions).
- Recognize and Certify Cultural Knowledge and Skill Experts.
- Develop and make available Local Language Dictionaries.
- Develop and make available Local Language Teacher support material (Soft and hard).

History and Identity

- Encourage production of history and culture-related material (Soft and Hard Material).
- Develop and publish a book for teachers on Language Dictionary and Instruction.
- Encourage recorded Biographies of Community Leaders and their stories.

Values

- Identify and establish Community Behavioural Values.
- Record Biographies of Community Leaders and their stories, particularly actions that emulate the community values.

Socio-Cultural Resource Centres

- Provincial and District Authorities should approve, fund and maintain the cultural spaces