



Consultative
Implementation and Monitoring
Council



NATIONAL DEVELOPMENT FORUM

ON

*IMPROVING THE BUDGET SPENDING PROCESS: ENSURING TRANSPARENCY
AND ACCOUNTABILITY AT ALL LEVELS*

VOLUME 1: OUTCOMES REPORT

24TH – 26TH OCTOBER 2007

STATE FUNCTION ROOM
PARLIAMENT HOUSE
NATIONAL CAPITAL DISTRICT

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Executive Summary

With financial support from the Department of National Planning and Monitoring, and the Democratic Governance Programme of AusAID, the Consultative Implementation Monitoring Council (CIMC) convened the annual National Development Forum on 24-26 October 2007 at the Parliamentary State Function Room. The theme of the Forum was 'Improving The Budget Spending Process: Ensuring Transparency and Accountability at all Levels'. It was attended by some 200 participants, representing 147 organisations, including government.

The Forum was opened by the Minister for National Planning and District Development, Hon Paul Tiensten MP, and attended by a wide cross-section of stakeholders from throughout Papua New Guinea. The non-government organizations represented 31%, government officers around 19%, provincial administration staff 14%, community members 9%, private sector 10%, local level government officials 4%, and 3 % from donor organizations as well as academics.

The CIMC process involves 4 Regional Development Forums held in the provinces, followed by the National Development Forum held each year in National Capital. CIMC also runs a number of Sectoral Committees and working groups covering selected thematic topics or sectors, which make recommendations through to the National Development Forum. The National Development Forum therefore pulls together advice, findings and recommendations from a wide cross-section of Papua New Guinea society.

The Forum sub themes included:

- Presentations on the national planning and budget system and policies
- Presentations on the budget systems and experiences at the sub-national levels (provincial, district and local level government)
- Consideration of recommendations made at the CIMC Regional Development Forums
- Consideration of recommendations made by the CIMC sectoral committees
- Group discussions to respond to issues raised in the Forum
- Adoption of recommendations on future strategies and directions

Summary of Priority Recommendations

The recommendations made by the Forum were adopted "in-principle" by almost all Forum participants. Time and other constraints precluded an opportunity to finalise specific text. However, it was agreed that the CIMC Secretariat would refine the wording of the recommendations, based upon the agreed consensus, providing the basis for the recommendations given.

A summary of priority recommendations are as follows.

Law and Order

1. The Government to endorse the NEC Policy Submission put in by the National Anti-Corruption Alliance (NACA) Board through the Internal Security Minister. The Government to allocate funding of K1 million for NACA operations through the 2009 Annual Budget.
2. The Government to explore the possibility and benefits of adopting a sectoral approach to planning and budgeting, monitoring and reporting. The Law and Justice Sector agencies to liaise with the Department of National Planning and Monitoring, Finance and Treasury to design such a system.

Private Sector Growth

3. The Government should develop a structure to strengthen and ensure effective operation of the National Working Group on Removing Impediments to Business and Investment and for it to reconvene immediately and to actively use the CIMC process (for example, Commerce and Support Services Sectoral Committee, etc).
4. The Government to develop policies to allow competition in the provision of utilities and services, such as electricity, water, transport, tele-communications (including internet and mobile services) and airlines, to enable provision of reliable utilities and services at competitive prices to the private sector and wider community.
5. Review and implement the Small and Medium Enterprise (SME) Policy.

Population Management

6. The Government to give population management higher priority. The interventions in this regard should include: building the capacity of the National Population Council and partner agencies for the integration of population concerns in the MTDS; provide technical leadership to co-ordinate population activities at all levels; and develop appropriate advocacy strategies for population management. Create public awareness and ownership of the National Population Policy.

Family and Sexual Violence

7. The Government to acknowledge and adopt the PNG Family and Sexual Violence Integrated Long Term Strategy as its National response to Family and sexual violence. The Government as its national response should provide budgetary support to implement the second phase of the Family and Sexual Violence Action Committee (FSVAC) Integrated Long-Term Strategy and training throughout the community and extending projects in all provinces.

District Capacity

8. The Government to support the preparation of plans for each of the 89 district headquarters (entailing full local participation) and provide funding (or collaborative funding) for building houses, offices, water, electricity, and telecommunications services (telephones, and internet services). In addition to improving basic health and education services, the government should include additional infrastructure and personnel to be provided for the districts, such as police, legal services, courts, correctional facilities and audit units. Withdraw the District Authority legislation with

its duplicative management system. If currently widely unsatisfactory JDP&BPC system retained, it must be effectively operationalised and accountable at the District level, and not run remotely or entail rubber stamping of decisions.

Maintenance

9. Government to instruct (and fund) Department of Works to ensure that all maintenance and construction contracts to have a provision for maintenance of existing transport and social infrastructure, particularly schools and medical services, including within the vicinity of projects.

Enforcement of Public Service Acts

10. Strict enforcement of the *Public Finance (Management) Act*, and the *Public Service (Management) Act*.
11. Empower the watchdog and investigatory bodies, notably the Ombudsman Commission, Auditor-General, Public Accounts Committee, Finance Inspectors and Police Fraud Squad, and the enforcement bodies, including the Public Prosecutor, to perform their functions effectively and independently, including oversight at the sub-national levels.
12. Strengthen Capacity of Monitoring and Reporting Systems at all Levels of Government.

Access and Participation

13. Government (and sub-national authorities) should prepare comprehensive, reliable and useful budget information and make these available to the public in a clear and accessible form.
14. The Government should develop guidelines and effective systems (e.g. local CIMC consultative committees) for ensuring that the public formally consulted over policies, projects, plans and budgets (at the national and local levels) and empowered to oversee implementation and its compliance with approved budgets, rules and requirements. Non-State Partners should be able to make their viewpoints known and to have these views taken seriously at each level of Government (including Supply and Tenders Boards and participate/oversee impartial appointment processes) at National, Provincial, District and Wards levels.

Intergovernmental Financing

15. Government to develop a policy to delegate more powers and functions to District Administrators and the LLGs and Wards where acquittals have occurred and adequate staff capacity is in place. Major funding and training support (combined with oversight) is required (involving local officials, Ward councilors etc) to ensure greater capacity and accountability. Perhaps a phased approach is needed but linked to effective oversight, especially where capacity is weaker or found unsatisfactory. Review the *Public Finance (Management) Act* to best support the above requirements.
16. The Government should address the funding gap by implementing the 'Intergovernmental Financing Reform' which will direct more resources to the low-

funded provinces, districts and LLGs. Government to use the NEFC Cost of Services Study as a guide to allocating recurrent funding to deliver core services across PNG.

1. Introduction

1.1 Context

In 2004, the Council endorsed the work of the CIMC Secretariat for 2005, and subsequently endorsed further years, to focus on opening up the PNG budget process and participatory budgeting. This work was further endorsed by the National Executive Council in November 2005 (Decision 248/2005). The theme was to be spread over a three year term. The first year to focus on the budget process: Where is the money coming from? The budget formulation process. The second year: budget enactment and execution. The third year was to focus also on budget spending, but more so on issues of control, monitoring and reporting, and introducing the concepts of transparency and accountability.

‘Transparency’ and ‘accountability’ are part of our democratic vocabulary – but what do they mean?

‘Fiscal transparency’ refers to the public availability of comprehensive, accurate and useful information on a government’s financial activities. Transparency is, in part, an end in itself: taxpayers have the right to know what the government does with their money. Efforts to increase transparency can also help improve accountability and reduce corruption. One international standard for transparency is contained in the IMF Code on Fiscal Transparency. The code is built around the following standards:

- The roles and responsibilities of a government should be clear;
- Information on government activities should be provided to the public;
- Budget preparation, execution and reporting should be undertaken in an open manner; and
- Fiscal information should be subjected to independent assurances of integrity.

‘Fiscal accountability’ refers to the responsibility on a government to account to Parliament for the way public funds are collected, managed and spent. (*Streak, J. (ed), 2003. Monitoring Government Budgets to Advance Child Rights. Appendix 2. IDASA, Children’s Budget Unit, Budget Information Service.*)

It has been an ambitious theme to undertake but the objective of introducing the concept of government budget systems and processes, has made the general (educated) public a little bit better informed about what happens (or is not happening) within the government at each level, and to understand why service delivery has deteriorated. It also became obvious through the regional development forums and comments made by the public, that people very much want to understand what happens to public money, and how they can participate in this planning and budgeting process.

For years we’ve seen weightier and better presented budget documents. In contrast the public sees the machinery of government generally weaken and, despite, the rosier economic reports over recent years there seems to be no tangible improvement for the lives of most of the population, notably those away from the bright lights of the towns

and boom industries. Many have heard about this boom and that the government is flush in funds, and can't understand why the benefits aren't filtering out.

The Government seems to use the term empowerment to entail promising enough goods and benefits, in the form of roads and services, to enable the community to enjoy better economic and social opportunities. But for these opportunities to be secured requires that the wider community (including NGOs, CSOs and private sector) are also empowered to embrace and oversee the budget process itself. Real empowerment requires demystifying the budget and other government processes, so that the wider public knows what's in there and particularly how it affects them at the local level, and for the community to help oversee it's proper implementation.

Greater public participation in the whole budget planning and oversight process is critical, as well as seriously addressing the constraints to effective implementation. What's the point in preparing a detailed spending Budget document, if we know there's little prospect of implementing much of it, or worse, that funds will be systematically or arbitrarily abused, whether by public servants, politicians or through bogus invoices or untendered contracts. Most of the problems have been highlighted, whether by the Public Accounts Committee, Auditor General, Ombudsman Commission, various commissions of Inquiry or reviews of the duplicative responsibilities or tiers of government. We know, for example, that the district planning and administrative capacity is inadequate and widely abused, so this requires concerted attention, and simply throwing more money, for example at Districts, isn't the solution, when they can't properly manage and account for what they have already.

With a major increase in funds at the district level and in multiple trust funds, there is no increase in funding, let alone commensurate increase, for the official independent watchdogs (including the Auditor General or Ombudsman Commission). A major public awareness and independent community oversight process will need to be launched, and taken out to the local level, like the "Citizen's Report Card" described recently by Pooja Parvati, from an Indian organisation, which concentrates on "opening up the budget process" to hold their elected and unelected officials accountable.

There is totally inadequate commitment to improving systems, capacity building and oversight in the 2008 Budget. The Public Accounts Committee and other watchdogs have highlighted the extensive and massive abuse of public funds from nearly all agencies. Existing recurrent and development funds could go much further, even before providing significant increases. Government should be rewarding those that do perform and produce tangible outcomes, consistent with agreed plans. Even with District Treasuries fundamental reform to District planning, implementation and oversight is required to make funds allocated to Districts usefully contribute to sustainable local development across the country, rather than the hand-outs of MPs and cronies. There is no point in pumping funds into programs or projects where governance is known to be lacking.

These are views which the government does not want to hear, but even the Minister for National Planning and District Development acknowledges, that there is greater need for the public to demand that Government make dramatic improvements in these areas.

1.2 Background

The CIMC, with the agreement of the National Executive Council, continued in 2007 to promote awareness and discussion around the budget process. The PNG Government, through the Department of National Planning and Monitoring, and AusAID, support the CIMC Secretariat to hold the Regional Development Forums and the National Development Forum each year.

1.3 Forum Purpose

The conduct of these forums supports the objectives which is to facilitate effective public (including private sector) participation in policy dialogue, monitoring and decision making processes to influence policy so that they reflect the local needs and interests, and to make relevant and practical recommendations.

1.4 Forum Objectives

The National Development Forum 2007 on Improving the Budget Spending Process: ensuring transparency and accountability at all levels, aimed to (1) to promote budget literacy, (2) to provide a range of interesting and challenging speakers explaining about what happens during the budget spending and monitoring process, (3) focus on issues relating to transparency, accountability and equity, (4) provide a medium of discussion on matters of public interest, and (5) most importantly, to make recommendations to the Government.

The National Development Forum was designed to have key stakeholders give their perspective and experience on what happened during the budget spending and reporting process. Perspectives were given by Central Agencies, national line departments, the Ombudsman Commission, Auditor General's Office, provincial administration, district administration and local level government views. Perspectives from research carried out by the National Economic Fiscal Commission, and non government organizations, and by private sector organisations were also presented through their CIMC Committee chairpersons.

1.5 Forum Proceedings

The National Development Forum was conducted in the State Function Room at Parliament House, Port Moresby over two and a half days on Wednesday 24, Thursday 25th and Friday 26th October, 2007. The forum was has a different chairperson during almost every session.

The forum was opened by Hon Paul Tiensten, MP, Minister for National Planning and District Development. Minister Tiensten welcomed participants and:

- Outlined his support for the forum theme;
- highlighted the MTDS alignment with budget expenditure priorities in the planning and budget process;
- spoke about the challenge of planned and responsible budget spending in accordance with current laws, systems, and procedures; and,
- emphasized the need to manage public expenditure for results, and to have quality, timely information, upon which to make decision.

The presenters at the forum were:

DAY ONE:

- Ms. Nino Saruva, Deputy Secretary, Dept. of Treasury.
- Ms. Juliana Kubak, Acting Deputy Secretary, Policy, Dept. of National Planning & District Development.
- Mr. Paul Sai'i – A/Director, Office of Rural Development.
- Gabriel Yer, Secretary, Dept. of Finance.
- Mr. John Sari – Executive Officer, Eastern Highlands Provincial.
- Ms Janet Nisa – Peace Foundation Melanesia, Southern Highlands.
- Mr Martin Negai – Coordinator, Momase Regional Secretariat
- Ms Mary Kamang – President, Madang Provincial Council of Women.
- Mr. Gregory Toxie Serth, Lord Mayor, Kavieng Urban Local Level Government
- Ms. Agnes Titus, Project Officer, Leitana Nehan Women's Development Agency
- Mr. Monti Derari, Acting Provincial Administrator, Oro Province
- Ms. Catherine Natera, Project Officer, Papua Hahine Social Action Forum.

DAY TWO:

- Dr. Nao Badu, Commissioner and Chief Executive Officer, National Economic Fiscal Commission
- Mr. Russell Ikosi, Acting Secretary, Department of Provincial and Local Level Government Affairs
- Hon. Tekura Renagi, President, Rigo Local Level Government, Central Province
- Hon. David Piamia, President, Tomar-Vunadidir Local Level Government, East New Britain Province
- Ms. Pooja Parvati, Research Associate, Centre for Budget Governance and Accountability (CBGA), New Delhi, India
- Mr. Repe Rambe, Secretary, Public Accounts Committee
- Mr. Ila Geno, Chief Ombudsman, Ombudsman Commission of PNG
- Mr. George Sullimann, Auditor General's Office
- Mr. Pae Gure, Chairman, Transport and Infrastructure Sectoral Committee
- Mr. Brown Bai, Chairman of Rural Industries Council and Agriculture Sectoral Committee
- Mr. Graham Ainui, Chairman of Law and Order Sectoral Committee
- Ms. Rosa Au, Deputy Chairperson, Family and Sexual Violence Action Committee (FSVAC)
- Dr. Clement Malau, Secretary, Department of Health

DAY THREE

- Mr. Henry Kila, President, PNG Business Council
- Mr. Richard Kassman, Chairman, Tourism Sectoral Committee
- Mr. Jerry Argus, Manager, Policy and Planning, Tourism Promotion Authority
- Mr. Max Kep, Chairman, Informal Sector Committee
- Mr. Brown Kiki, General Manager, National Forestry Authority
- Dr. Joseph Pagelio, Secretary, Department of Education

The chairs of the various sessions were:

- Mr. Henry Kila, Master of Ceremony
- Ms. Marjorie Andrew, Executive Officer of CIMC
- Mr. Ron Kisakau, Consultant, Kisokau Consultants Ltd
- Prof. David Kavanamur, School of Business Administration, UPNG
- Ms. Iva Kola, Manager, Implementation, Law and Justice Sector Secretariat
- Mr. Camillus Midire, Chief Executive Officer, PNG Sustainable Infrastructure Limited

• Outcomes

The CIMC process involves 4 Regional Development Forums held in the provinces, and one National Development Forum held each year in Port Moresby. The CIMC also runs a number of Sectoral Committees and working groups on selected thematic topics or sectors, of which make recommendations through to the National Development Forum. The National Development Forum therefore pulls together advice, findings and recommendations from a wide cross section of Papua New Guinea society.

This year there were a total of 190 participants at the National Development Forum. The Non-government organizations represented 31%, Government officers around 19%, Provincial administration staff were 14%, Community members 9%, Private sector 10%, Local Level Government officials 4%, and 3 % from donor organizations as well as for academics.

The Recommendations of the Forum can be presented under the following headings:

- Private sector growth
- Law and order
- Infrastructure
- Human resource development
- Family and sexual violence
- Good governance

The following Sections of the report provide in tabular format the areas discussed and generally agreed.

2.1 | Private sector growth

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Issue Discussed	Aspects	Implications for:
Dialogue Between Government and Private sector	<ul style="list-style-type: none"> • Reconvene operation of the National Working Group on Removing Impediments to Business and Investment • Active use of CIMC process (For example, Commerce and Service Committee, etc). 	<ul style="list-style-type: none"> • Department of Prime Minister & NEC • NWGRIBIA members • CIMC
Small and Medium Enterprise Policy	<ul style="list-style-type: none"> • The Government to provide financial support through the Public Investment Programme to review the existing SME Policy and for further implementation commencing in 2008. 	<ul style="list-style-type: none"> • DCI • DNPM
Dialogue on Training	<ul style="list-style-type: none"> • The National Training Council to be supported in its work conducting a National 	<ul style="list-style-type: none"> • DLE • NTC

Requirements Between Industry and Providers	<p>Human Resource Assessment and the development of a Human Resource Plan.</p> <ul style="list-style-type: none"> • That the government support the organizational restructure undertaken by NTC and for the Department of Personnel Management to fast track the endorsement of the NTC's Restructure Program that was submitted three years ago but is still pending. 	<ul style="list-style-type: none"> • Private Sector • DNPM • CIMC
Processing of Permits and Visas	<ul style="list-style-type: none"> • The Government should fully implement the One Stop Shop concept with a view to streamlining visas, business certification and work permit services so that investors can commence their operations quickly. 	<ul style="list-style-type: none"> • DFAT • DLE • IPA • SBDC
Trade Policy	<ul style="list-style-type: none"> • Department of Commerce and Industry to develop a National Policy on Trade in wide consultation with the private sector (and credit security). 	<ul style="list-style-type: none"> • DFAT • DCI • Private sector
Competition	<ul style="list-style-type: none"> • The Government to develop policies to allow competition in the provision of utilities, such as electricity, water, transport and tele-communications, airline services, internet and mobile services. 	<ul style="list-style-type: none"> • DOT • DNPM • Telikom • ICCC • Transport Sector • Private Sector groups • PNG Power • Eda Ranu • DPE
Tourism Development	<ul style="list-style-type: none"> • The Tourism Promotion Authority to maintain partnership with all stakeholders to continue implement the Tourism Master Plan including greater and direct accountability to the stakeholders. • Government to continue financial support for its implementation. 	<ul style="list-style-type: none"> • TPA • DOT • DNPM • Tourism industry
Airline Development	<ul style="list-style-type: none"> • The Government to approve the Air Transport Review and encourage new investment and competition in airline services. 	<ul style="list-style-type: none"> • Airline Industry • DCA • DOT
Capacity Building	<ul style="list-style-type: none"> • The Tourism Promotion Authority and 	<ul style="list-style-type: none"> • TPA

Local Tourist Operators	Provincial Tourism Bureaus in partnership with other partners (working with private sector or NGOs, donors and regional agencies), should provide awareness and skills training for communities to take advantage of the tourism opportunities being developed.	<ul style="list-style-type: none"> • NTC • Local tourism operators
Population Planning	<ul style="list-style-type: none"> • The Government to provide adequate resources to develop the National Policy on Informal Economy for 2008 and 2009. • To enable people to participate in the economy actively, support in skills training, removal of restrictions and so on but encourage application and training of standards. 	<ul style="list-style-type: none"> • DNPM • All government

2.2 Law and Order

Issue Discussed	Aspects	Implications for:
Security Regulation	<ul style="list-style-type: none"> • The Security Industry Providers Association to engage the services of the Electoral Commission to conduct an election of 2 members to be representatives on the SIC. Also, Security Industry Providers Association is to nominate one employee representative to the Council. • The Minister for Internal Security to receive nominees and make the appointment. • As soon As this is done, SIC to convene a proper Council meeting. 	<ul style="list-style-type: none"> • SIPA • SIC • SIA • PNGEC • Internal Security
Security Guard Competency	<ul style="list-style-type: none"> • The Government should direct the Security Industry Authority (SIA) to set the Competencies for security guards and related personnel, and submit these to the National Training Council for approval. • The SIA monitor the trainers/companies that provide such training and graduate trainees using such competencies. 	<ul style="list-style-type: none"> • SIA • NTC • DLE
Anti-Corruption	<ul style="list-style-type: none"> • The Government to endorse the NEC Policy 	<ul style="list-style-type: none"> • NACA

Initiative	Submission put in by the National Anti Corruption Alliance (NACA) Board through the Internal Security Minister. The Government to allocate funding of K1 million for NACA operations through the 2009 Annual Budget.	<ul style="list-style-type: none"> • DPM&NEC • Internal Security • Law & Justice Sector Agencies
Urban Youth Skills Training	<ul style="list-style-type: none"> • The Government to request the Law and Justice Sector Program to have the current adviser to YLMP to help roll out YLM type activities to Lae and Mt Hagen by identifying stakeholders such as businesses, community leaders and non government organisation leaders. AusAID to approve funding for this activity and for the projects to be established in these two cities. 	<ul style="list-style-type: none"> • NCDC • LJSP • NGO groups • Unemployed youth
Sector-wide Budgeting	<ul style="list-style-type: none"> • The Government to explore the possibility and benefits of adopting a sectoral planning and budgeting, monitoring and reporting. The Law and Justice Sector to liaise with the Department of National Planning and Monitoring, Finance and Treasury to design such a system. 	<ul style="list-style-type: none"> • Law & Order agencies • DOF • DNPM • DOT
Police Support	<ul style="list-style-type: none"> • The Government to allocate sufficient funding in the 2008 and 2009 Budgets to RPNG specifically for implementation of the outstanding Police Review Recommendations. 	<ul style="list-style-type: none"> • RPNGC • DNPM • DOF • DOT
International Financial Crime	<ul style="list-style-type: none"> • The Office of the Attorney General and the Minister for Internal Security to put in a joint submission to seek funding from GoPNG for the establishment of the FIU. 	<ul style="list-style-type: none"> • FIU • AGO • DOT

2.3 Infrastructure

Issue Discussed	Aspects	Implications for:
Develop Capacity of Districts	The Government to draw up a plan for each of the 89 district headquarters and provide funding for building houses, offices, water, electricity, telephones, and internet services. In addition to improving basic health and education services, the government should include additional infrastructure and personnel to be provided for at the districts such as police, prosecutors, courts,	<ul style="list-style-type: none"> • All levels of Government • Private Sector • Local Government • Communities

	correctional facilities and audit units.	
Road Maintenance	Government through Departments of Works and Transport should institute a study into alternative methods of road maintenance used by similar countries like PNG with mountainous terrains, etc.	<ul style="list-style-type: none"> • DOW • UOT
Integrating Maintenance	Government to instruct Department of Works to ensure that all maintenance and construction contracts have to have a provision for maintenance of existing social infrastructure, particularly schools and medical services within the vicinity of the project.	<ul style="list-style-type: none"> • NDOE • NDOH • DOW • Dept Transport • NRA
Coordinating Infrastructure	The Government to dedicate an officer/s within any of the 3 departments (DOW, DOT, DNPM) with some funding to assist the work of the Committee commencing in 2008.	<ul style="list-style-type: none"> • DOW • DOT • DNPM • CIMC

2.4 Human Resource Development

Issue Discussed	Aspects	Implications for:
Population Planning	<ul style="list-style-type: none"> • The Department of National Planning and Monitoring to support and coordinate the Population Council to operate and reconvene immediately. • The Department of National Planning and Monitoring to fully implement the National Population Policy, including the establishment of the senior planner's position to coordinate sectors to implement the Policy. • The policy interventions in this regard will include: build the capacity of the National Population Council and partner agencies for the integration of population concerns in the MTDS; provide technical leadership to co-ordinate population activities at all levels; and develop appropriate advocacy strategies for population management. • Create public awareness and ownership of the Population Policy. 	<ul style="list-style-type: none"> • DNPM • All Levels of Government • Nat. Population Council
Gender Equality	<ul style="list-style-type: none"> • The Government to provide budgetary support to the CEDAW Desk at the Department of 	<ul style="list-style-type: none"> • AGO • All Government

	Justice and Attorney General's Office to implement the articles of CEDAW	Levels • DCD
Human Rights Initiatives	<ul style="list-style-type: none"> The Government through the Department of the Attorney General, should establish an Independent Human Rights Commission and a Tribunal with powers to prosecute and punish human rights offenders and abusers. 	<ul style="list-style-type: none"> AGO FSVAC CLRC
Integrated Response on Rape and Assault	<ul style="list-style-type: none"> The Government to acknowledge and adopt the PNG Family and Sexual Violence Integrated Long Term Strategy as its National response to Family and sexual violence. The Government as its national response must give budgetary support to implement the second phase of the Family and Sexual Violence Action Committee Integrated Long-Term Strategy and training on other parts of community and extending projects in all provinces. 	<ul style="list-style-type: none"> NDOH FSVAC RPNGC DNPM

2.5 Good Governance

Issue Discussed	Aspects	Implications for:
Strict Enforcement of the Public Finance Management Act and the Public Service Management Act	<ul style="list-style-type: none"> Government to provide adequate resources for Departments and Agencies to fund their backlog of preparation of financial statements, and additional resources to the Auditor General's Office to complete audits of all Departments and Agencies in a timely manner. All CEOs to submit annual financial statements to the Department of Finance and the Auditor General's Office. Failure to submit by CEOs should be referred to the Ombudsman Commission as breach of Leadership Code. 	<ul style="list-style-type: none"> AGO DOF OC PAC RPNGC DOT AGD

	<ul style="list-style-type: none"> • Empower the Ombudsman Commission, Public Accounts Committee, Public Prosecutor, Finance Inspectors and Police Fraud Squad to perform their functions effectively and independently. • Department of Finance and the Auditor General's Office and other enforcement bodies to develop strategies, processes, and programs commencing 2008 to ensure effective monitoring, audit and prosecution of wrong doers (civil recovery prosecutions, criminal prosecutions, leadership prosecutions, etc). • Government to increase resource allocation for the Auditor General's Office to check, inspect, and report. • Minister for Finance to give priority to the establishment of Internal Audit Units in all provinces and departments and Government agencies. Ensure effective independent oversight also of the central agencies themselves. 	
<p>Plain Budget Information Which Is Readily Available Makes Government More Accessible</p>	<ul style="list-style-type: none"> • Government to direct the Departments of Finance and Treasury to prepare a comprehensive, reliable and useful and practical budget information and make these available to the public in a clear and accessible form. • The Ministers for Finance and Treasury establish a Working Committee made up of relevant stakeholders from Government, Private Sector and Civil Society, on how this recommendation can be addressed. • The Minister to issue a Financial Instruction Circular to all levels of Government specifying how budget information is to be shared with the public. • This would mean an improvement in the financial data systems. The Department of Finance to expedite the implementation of 	<ul style="list-style-type: none"> • DOF • DOT • CIMC • Media

	<p>the Integrated Financial Management System (IFMS) which would support the availability of data to produce the budget information for this recommendation.</p> <ul style="list-style-type: none"> • That dissemination of budget information be improved through print and electronic media and radio, and other mechanisms and have them widely distributed. 	
<p>Strengthen Capacity of Monitoring and Reporting Systems at all Levels of Government.</p>	<ul style="list-style-type: none"> • Departments of Finance, and National Planning and Monitoring, to secure Performance Management Reports each quarter, along side Quarterly Reviews. • Senior management to be involved in assessing the performance reports, to assess performance results and to manage implementation and cash flow problems. This information should be conveyed to relevant authorities and made accessible to the public. • Private Sector including {Professional bodies) should participate in oversight process regarding budget expenditure and staff appointments at National, Provincial and District Levels. • Government should direct the Office of Rural Development to prepare a corporate plan and adequate budget to monitor and report effectively the implementation of the District Grants. • Government requires the ORD Corporate Plan to focus on improving capacity. The DNPM and the ORD to formulate a strategy to involve the community in monitoring the performance of budget execution and service delivery at the Ward and LLG levels. • Government to support establishment of CIMC structures at the Provincial and Local Levels working with Provincial Governments and CIMC Secretariat. • Government to support the coordination 	<ul style="list-style-type: none"> • DNPM • DOF • AGO • Private sector organizations • Professional Bodies • Provincial administrations • ORD • DPLLGA • CIMC

	and monitoring work of the Provincial and Local Level Government Services Monitoring Authority (PLLSMA) under the Department of Provincial and Local Level Government Affairs.	
Improve Capacity of the Auditor General's Office by Increasing Qualified Personnel and Use of Innovative Strategies.	<ul style="list-style-type: none"> • The Auditor General to develop a coordinated executive and performance management system. • Develop strategies to reduce the backlog of audits accumulated from previous years. • Develop graduate schemes to utilize university graduates on low cost and reduce the back log of work in the Auditor General's Office. • Government to provide adequate funding to the AGO for it to have adequate staff and to retain staff for the AGO to be able to effectively carry out enforcement of audits. • AG must refer to Public Prosecutor. • Staff to be trained as Certified Practicing Accountants. • Graduate accountant program involving exchange and secondment of graduate to the Australian National Audit Office for one year. 	<ul style="list-style-type: none"> • AGO • UPNG • DNPM • DOT
Enforce the Leadership Code for appointments of members of the Joint District Budget Priorities and Planning Committees and the Provincial Assembly.	<ul style="list-style-type: none"> • • Enforcement of the leadership code to all chief accountable officers at the provincial and district levels and leaders appointed to the JDBPPC. • Appointments of members to these committees should be genuine representatives of those groups specified in the Organic Law (OLPLLG). There should be no conflict of interest by the Chairman or District Administrators in the appointment of these members. 	<ul style="list-style-type: none"> • OC • DPLGA • Provincial & District Administrations • All JDB&PPC

	<ul style="list-style-type: none"> • District and LLG staff to be properly selected based on qualifications and merit. Also need civil society and private sector oversight in the system. 	
Ensure Clear Reporting and Accountability Systems Between District and Provincial Administrations.	<ul style="list-style-type: none"> • The relevant departments to establish a clear reporting and accountability mechanism to both the provincial and relevant National Departments down to the local community and better link with Provincial and District and Ward Plans concerning the receipt and expenditure of all public monies, including donor funds, and performance reports. • District Treasuries to have suitable housing conditions to encourage them to remain at districts. District staff to be transparently appointed on merit and adequately paid, but able to be readily dismissed if they do not perform to standard are corrupt. • Government to undertake a review of the enabling laws including the Organic Law on Provincial and Local Level Government, The Public Service (Management) Act, and the Leadership Code, to promote accountability and transparency of the District Administration, LLG, and the JDBPPC. • These District Reports on the District Grants and donor funding are to be made available at Quarterly Reviews for each province. 	<ul style="list-style-type: none"> • DNPM • DOT • DOF • DPLGA • Provincial & District Administrations • DPM • OC
Make Information Available to the Public and Communities about Roles and Responsibilities of Government in Plain Language.	<ul style="list-style-type: none"> • Government to direct the Department of Information and Communication to produce an Annual Directory on Government Roles and Responsibilities of each level of government in the management of public finances, including the names and titles of officers in key decision-making positions, by location. • Funds are public funds and the 	<ul style="list-style-type: none"> • DOT • DOF • DNPM • DIC • CIMC

	community should also act as a watchdog and have a responsibility to ensure funds are being properly spent/used.	
Improve the Performance of District Administration, LLG Office Holders and Staff.	<ul style="list-style-type: none"> • Develop a separate nation-wide capacity building program and funding to lift the levels of skills and knowledge necessary for district and LLG staff, on ward planning processes, budget formulation, project management, reports and risks management. Give training to District Administrators to properly account and keep records of spending funds. • Government to engage community-based groups, redundant skilled people to address the capacity problems at the district and LLG levels. Also need to improve the staff selection criteria, etc. • Also proper selection of suitably qualified LLG staff (e.g. Gr. 10 drop outs as Council Clerks) 	<ul style="list-style-type: none"> • DPM • PSRMU • DPLGA • LLGs • District Administration • Provincial Administration • NGOs
Increase Financial Authorization Amount for District Administrators	<ul style="list-style-type: none"> • Government to develop a policy to delegate more powers and functions to District Administrators and the LLGs and Wards where acquittals have occurred and adequate staff capacity in place. Perhaps a phased approach is needed but linked to effective oversight if performance is not satisfactory. • Review the Public Finance (Management) Act to implement the above. 	<ul style="list-style-type: none"> • DOT • DOF
Create a Formal Mechanism for the Community to Participate Effectively in the Planning and Budget Process.	<ul style="list-style-type: none"> • The Government in partnership with private sector bodies and civil society organizations, should develop guidelines for ensuring that the public is formally invited to participate in decisions affecting policies, plans, budgets and implementation and oversight. • The Minister for National Planning and Monitoring should adopt these guidelines during 2008 for Non-State Partners to make their viewpoints known and to have these views taken seriously at each level of Government (including Supply and Tenders Boards), at National, Provincial 	<ul style="list-style-type: none"> • DNPM • DOT • DOF • DPLGA • CIMC

	and District and Wards levels, including CIMC consultations as well.	
Absence of all types of infrastructure in district stations hinders delivery of basic services	<ul style="list-style-type: none"> • Government to provide integrated district development plans and programs in consultation with private sector and civil society in the provision of infrastructure and basic services. • Government to assist provinces to construct and maintain these services in a sustainable manner whilst encouraging private sector provision of community services (e.g. telecommunications) and public –private sector partnership for power generation. 	<ul style="list-style-type: none"> • DNPM • Provincial and District Administrations • All government departments
Coordinate Government Planning and Programming from Wards, LLG level to District, Provincial, Regional, Sectoral and National.	<ul style="list-style-type: none"> • Government to direct the Department of National Planning and Monitoring to formulate a National Development Planning System and draft legislative instruments and Guidelines to regulate the Decentralized Planning System consistent with reforms to the OLPLLG. 	<ul style="list-style-type: none"> • DNPM • DPLGA • Provincial and District Administrations
To eliminate the District Authority Act and amend the existing Organic Laws to improve existing arrangements.	<ul style="list-style-type: none"> • To repeal the District Authority Act. Review the OLPLLG to improved district and LLG operations to work effectively and consistent with any proposed District Planning System. 	<ul style="list-style-type: none"> • DPLGA • NEC
Review the reforms introduced under the Organic Law on Provincial and Local Level Government, and the Public Service (Management) Act.	<ul style="list-style-type: none"> • Government to conduct an evaluation on the implementation of the reforms over the past 10 years and make it more responsive, with funding better distributed and more fairly. • Also Government to look at reinforcing capacity in those provinces and districts which get least funding now to handle implementation adequately. 	<ul style="list-style-type: none"> • DPLGA • DPM • DNPM
Improve the Terms and Conditions of Public Servants	<ul style="list-style-type: none"> • Government should conduct an independent review of the terms and conditions of public servants, politicians, 	<ul style="list-style-type: none"> • DPM • PEA

	<p>constitutional office holders, against the current cost of living in urban and rural areas, as well as their job responsibilities.</p> <ul style="list-style-type: none"> • Improvements - notably housing for staff in remote locates) to improve responsible conduct to remain in districts, but have them more readily removable for non performance. 	
Reduce Level of High Staff Turnover from Key Occupations in Government	<ul style="list-style-type: none"> • Initiate contracts and MOA before training staff for them to serve organization for a certain period before they move on. Penalties (being sued and dismissed) for breaking such contract should be imposed. 	<ul style="list-style-type: none"> • DPM • PEA
Acknowledge the Role of Non-Government and Community Based Organisations and Improve Partnerships Between State and NGOs.	<ul style="list-style-type: none"> • Government should provide funds to the Melanesian National Center for Leadership and other mechanisms for capacity building and training programs targeted at NGOs and CBOs to improve their service delivery capacity and to effectively manage their resources. • Government to adopt a set of principles for improving the effectiveness of the Government and NGO/CBO relationship. 	<ul style="list-style-type: none"> • DNPM • DCD • MNCL • NGOs
Redesign the Way Resources are Shared Among Provinces	<ul style="list-style-type: none"> • The Government should address the funding gap by implementing the 'Intergovernmental Financing Reform' which will direct more resources to the low-funded provinces. • Government to use the NEFC Cost of Services Study as a guide to allocating recurrent funding to deliver core services across PNG. Also needs particular capacity building to manage funds in provinces and districts. 	<ul style="list-style-type: none"> • DOT • DOF • DNPM • NEFC • Provincial Administrations
Improve Provincial Funding for Priority Sectors and Priority Areas	<ul style="list-style-type: none"> • The Government should direct provinces to restrict their expenditure in non priority areas such as administration – salary and wages. • Government to and ensure that adequate funds are made available for basic services - health, water supply, education, infrastructure (especially maintenance), and law and order, as per the Cost of 	<ul style="list-style-type: none"> • DOT • DOF • DNPM • NEFC • Provincial Administrations

	Services Study (2007) for each province.	
Improve the Environment for Citizen Involvement in the Development Process	<ul style="list-style-type: none"> • Establishment of a CIMC- style Independent Budget Monitoring committee comprising of NGOs, churches, Chamber of Commerce. • Involve the Public in the Monitoring and Evaluation of whether Budget funds are properly utilised. • Advertise expenditure and what it was for – so Public can go and check if the asset exists • Use Professional Bodies (e.g. Certified Practising Accountants-CPA) to better monitor expenditure and release of funds. • Work to improve performance management by working with Chambers of Commerce. Establish provincial and district CIMCs such as in Eastern Highlands. Establishment of a provincial secretariat comprising of all stakeholders, based on the Eastern Highlands Provincial Advisory Committee Model. 	<ul style="list-style-type: none"> • DNPM • DPLGA • CIMC • DOT • DOF • NGOs • Private sector organisations

Appendix 1: List of Attendees

Organisation	First Name	Last Name	Position
NATIONAL DEPARTMENTS			
Dept. of National Planning & Monitoring	Mr. Valentine	Kambori	Secretary
Dept. of National Planning & Monitoring	Ms. Juliana	Kubak	Acting Deputy Secretary - Policy
Dept. of National Planning & Monitoring	Ms. Yasap	Popoitai	Assistance Secretary
Dept. of National Planning & Monitoring	Mr. Joshua	Ryan	A/Assistant Secretary-Research
Dept. of National Planning & Monitoring	Mr. Fred	Posenn	Regional Co-ordinator - Momase
Dept. of National Planning & Monitoring	Ms. Rosemary	Isicar	Policy Officer
Dept. of Treasury	Ms. Nino	Saruva	Deputy Secretary
Dept. of Treasury	Mr. Erik	Aelbers	Principel Economist
Department of Finance	Mr. Gabriel	Yer	Secretary
Dept. of Finance & ADB	Ms. Flora C	Carruthers	Consultant
Dept. of PM & NEC	Ms. Christine	Bratt	CACC - Policy Advisor
Dept. of Prov.Affairs & LLG	Mr. Russell	Ikosi	Acting Secretary
Dept. of Prov.Affairs & LLG	Mr. Ricky	Kumung	Advisor - PLLSMA
Dept. of Prov.Affairs & LLG	Mr. Julius	Wargirai	Director - Monitorng
Dept. of Prov.Affairs & LLG	Mr. Alex	Kana	Project Officer
Dept. of Commerce & Industry	Mr. Yoce	Kapili	Business Analyst
Department of Health	Dr. Clement	Malau	Secretary
Dept. of Education	Dr. Joseph	Pagelio	Secretary
Dept. of Education	Mr. Conrado	Bautista	Acting Project Manager TVET
Dept. of Agriculture & Livestock	Mr. Oti	Jigo	Chief Economic Advisor
Dept. of Works	Mr. Paul J	Noibano	National Contractor Officer
Dept. of Transport	Mr. Koni	Pombo	Policy Officer
Department of Commuinity Development	Mr. Edwin	Solomon	Project Officer
National Economic Fiscal Commission	Dr. Nao	Badu	Chairman & CEO
Minister for Public Service	Mr. Jim	Macpherson	1st Secretary
National Parlaiment House	Ms. Gavera	Rei	Interpreter
National Research Institute	Dr. Arnold	Kukari	Senior Research Fellow
Port Moresby General Hspital	Mr. John	Harara	Nursing officer
Port Moresby General Hospital	Mr. Lawrence	Namaro	Specialist Nursing Officer
Auditor General Office	Mr. George	Sullimann	Auditor General
Office of Rural Development	Mr. Paul	Saii	Acting Director
Office of Urbanisation	Mr. Mex	Kep	Chairman
Office of Urbanisation	Mr. Jerry	Wap	Executive Officer
Ombudsman Commission	Mr. Ila	Geno	Chief Ombudman

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PNG Forest Authority	Mr. Brown	Kiki	General Manager
Law & Justice Sector Program	Ms. Iva	Kola	Implementation & Co-ordination Manager
PNG Australia Transport Sector Support Program	Ms. Pam	Griffith	Program Manager TSSP
PNG Australia Transport Sector Support Program	Mr. Dave	McConnell	Public Sector Management Specialist
Small Business Development corporation	Mr. Malum	Nalu	Research & Information coordinator
Tourism Promotion Authority	Mr. Dunstan	Uluchoe	Policy Officer
Public Accounts Committee	Mr. Repe	Rembe	Secretary
DONORS			
AusAID	Ms. Charlotte	Smith	First Secretary
AusAID	Ms. Lewis	Baker	Three Secretary
AusAID	Ms. Freda	Talao	Senior Project Officer
Embassy of Japan in PNG	Mr. Koki	Okawa	First Secretary
World Bank	Mr. Andriy	Storouk	Senior Economist
World Bank	Mr. Allan	Lee	Officer - in - Charge
SUB NATIONAL GOVERNMENT			
Provincial			
Bougainville Administration	Mr. Joe	Kuli	Regional Commissioner
Bougainville Administration	Mr. Tsora J	Tony	Ex. Manager
Bougainville Administration	Mr. James	Torawa	Regional Inspector
Bougainville Administration	Mr. Tony	Tsora	Dirtrict Executive Manager
Central Provincial Administration	Mr. Gei	Raga	Deputy Prov. Administrator
Central Provincial Administration	Mr. Peter	Maia	Rural Agricultrialist
Eastern Highlands Provincial Administration	Mr. John K	Gimiseve	Deputy Provincial Administrator
Eastern Highlands Provincial Administration	Mr. Solomon	Tato	A/Deputy Provincial Administrator - PM & C
Madang Provincial Administration	Mr. Joseph	Dorpal	Prov. Administrator
Morobe Provincial Government	Ms. Elisabeth	Berefi	Office Secretary
Oro Provincial Administration	Mr. Monti	Derari	Provincial Administrator
Sandaun Provincial Administration	Mr. Tobias	Welly	Deputy Prov. Administrator (Policy Advisor)
Sandaun Provincial Government	Mr. Simon	M'Ledu	Advisor - Parliamentary Services
Local Level Government			
Rigo LLG	Mr. Tekura	Renagi	President
POM South LLG	Mr. Steve	Kariko	Councillor
Kerema Urban LLG	Mr. Yankee	Maroasa	Youth Co-ordinator
Tomar-Vunadirdir LLG	Mr. David	Piamia	President
Division of Tutuman	Mr. Peter	Samuel	Council President
Kavieng Urban LLG	Mr. Gregory	Toxie	Lord Mayor

POM South LLG	Mr. Robert	Tu'u	LLG-Moresby South
Bewani Wutung Onei LLG	Mr. Caspar	Win	President
Avatip Village	Mr. Caspar	Yambui	Councillor
Goilala District - Tapini LLG	Mr. Vincent	Maia	Representative
Morobe Tutuman	Mr. Paul	Anis	LLG
Morobe Tutuman	Mr. Sopa	Mon	President Wau LLG
Morobe Tutuman	Mr. John	Tubian	Advisor - LLG
Morobe Tutuman	Mr. M.	Kemung	President
Palia LLG	Mr. Alex	Yali	President
Bewani Wutung Onei LLG	Mr. Casper	Win	President
Kerema LLG	Mr. Terry	Maraka	LLG president - Kerema

PRIVATE SECTOR

Trikai Rice / Investment Promotion Authority	Mr. Phil	Franklin	Managing Director /Board Chairman
Oil Palm Industry Industry Corporation	Mr. Felix A	Bakani	Acting General Secretary
Ginigoada Bisnis Dev Foundation	Mr. Gabriel	Iso	Manager - 687 0915
PNG Cocoa Coconut Institute LTD	Mr. Hosea	Turbarat	Acting Chief Executive Officer
Rural Industries Council	Mr. Graham	Ainui	Executive Officer
Wapnamada Coffee Factory	Mr. Patrick	Komba	President
FGN Business Management Consultancy	Ms. Naime	Lahui	General Manageress
Koiari Tours	Mr. Narai	Billy	Tour Guard
Tanorama LTD	Ms. Nora Vagi	Brash	Director (principal)
Tanorama LTD	Mr. Toua	Geita	Managing Director Project
Tanorama LTD	Mr. Michael	Haino	Project Officer
Michael Gene Consultancy Service	Mr. Michael	Gene	Consultant
Employers Federation of PNG	Ms. Forence	Willie	Executive Director
PNG Sustainable Infrastructure Limited	Mr. Camilus	Midire	Chief Executive Officer
Bank South Pacific	Mr.Hennie H.	Ikupu	
Bank South Pacific	Mrs. Theresa Kia	Ikupu	
Bank of PNG	Mr. Benny B	Popoitai	Acting Governor
Bank of PNG	Mr. George	Awap	Manager Monitoring Policy

CIVIL SOCIETY

Christian Leaders Training College	Mr. Emmanuel	Kauna	Dean
Churches Medical Council	Mr. Joseph	Sika	Church Executive Officer
Churches Medical Council	Mr. Nathan	Kili	Administration Officer
EH Advisory Committee	Mr. John	Sari	Executive Officer
Madang Growers Association	Mr. Lamur	Agimik	President
Manpower Management	Mr. Stanley	Wap	Executive Director
National Youth Commission	Mr. Roby	Duri	Director - Policy

Peace Foundation Melanesia (SHP)	Ms. Janet	Nisa	Trainer
PNG Business Council	Mr. Henry	Kila	President
PNG Church Partnership Programme	Mrs. Frieda	Kana	Co-ordinator
PNG Community Development Foundation INC	Mr. Wapo	Gna	NGO
PNG Community Development Foundation INC	Mr. William	Mondo	Official PNGCDF INC
PNG Ecology Institute - Rural Development & Conservation	Mr. Max	Kialo	Program Co-ordinator
PNG Informal Community Development Services	Mr. Tom	Lahio Toutore	Chairman
PNG Tourism Authority	Mr. Jerry	Agus	Policy & Planning Manager
PNGULLA	Mr. Warkia	Kaminiel	Executive Director
POM Settlement Association	Mr. Iki	Ikavape	chairman - CDC
Port Moresby City Mission	Mr. Mike	Field	General Manager
Port Moresby City Mission	Mr. Felix	Meraudje	Manager
Prison Fellowship	Mr. Uve	Rova	National Director
Security Industries Authority	Mr. Chris	Gimbol	Registrar
Whoty Environment Conservation - Eco Tourism Project	Mr. Wapo	Guna	Co-ordinator
Daru Church	Ms. Nancy	Gauga	Church Representative
Alliance Vanuga Pificica	Mr. Evare	Gari	Director
Alliance Vanuga Pificica	Mr. Henry	Haroko	Treasurer
Alliance Vanuga Pificica	Mr. Nese	Lalai	MNG Program
APNGBC/PNGCCI	Ms. Nadam	Hallt	Executive Officer
ARDSF	Dr. Adiel N.	Mbabu	Agricultural Research & Development Specialist
United Church Koki	Mr. Leslie	Martin	Church Member
Catholic Women's Association	Ms. Gloria	Rame	President
Community Development Committee	Mr. Simon	Tarava	Community Rep
Country Women's Association	Ms. Evelyn	Pukari	President
Daru Provincial AIDS Committee	Mr. Gabriel	Moroa	Co-ordinator
Hela Council of Women - Tari	Ms. Janet	Koriama	President
Huon District Office	Hon. Kwalam	Tangapi (BEM)	President - Huon Gulf Open Electorate
ISYA	Ms. Maia	John	Co-ordinator
ISYA	Kemi	Syeed	Executive Officer
Jacary Services	Ms. Cathy	Rumints	Private
Kukukuku Landowner	Mr. Michael	T. Wanamo	Recognised Paramount Chief
Leitana Nehan Womens Development Agency	Ms. Agnes	Titus	Project Officer
Madang Provincial Council of Women	Ms. Mary	Kamang	President
Maren Village	Mr. Phanuel	Ilai Kabintik	Secretary
MBCSA	Ms. Sima	Koupere	Co-ordinator

Meleanisa Ngo Centre of Leadership	Ms. Priclia	Kare	Project Officer
Meleanisa Ngo Centre of Leadership	Ms. Margaret	Sete	Executive Officer
Menyamya District-Morobe	Mr. Watson	Nangi	Project Officer
Momase Regional Secretariat	Mr. Martin	Negai	A/Director
Morata Life Berers Catholic Church	Mr. Marobin	Wena	Peer Educator
Morata Settlement	Mr. Steven	Moroi	Youth President
Moresby South Community Leader	Mr. Gabby	Paii	CDC-Chairman
National Council of Women	Ms. Theresa	Jaintong, OBE	President
NCD Aids Counselling Spiritual Committee	Sir. Tau	Kuma	AID Counseling Spiritual
NCD PAC	Ms. Tore	Foo Kauri	FVO
NCD Provincial Youth Council	Mr. Patrick	Kinai	General Secretary
NCD/Informal Sector Youth Association	Mr. Syeed	Kemi Aiwa	Executive officer
NCDC	Mr. Philip	Evura	Project Officer
NCDC- Sabama Settlement - NCD	Mr. Tau	Kuma	NCD Aid Co-ordinator
NGO	Mr. Simon	Tarava	Youth Co-ordinator
NGO	Mr. Ebbie	Abraham Hau	Community Rep
NGO	Mr. Konsy K	Kasi	Church Rep Youth
Oro Chamber of Commerce	Mr. Peter	Seeto	President
Papua Hahine Social Action Forum	Ms. Sally	Mokis, MBE	President
Papua Hahine Social Action Forum	Ms. Catherine	Natera	Project Officer
Papua Hahine Social Action Forum	Ms. Susan	Setae	Executive Officer
Public Employees Association	Mr. Philip	Wori	Blind Secretary
Private Citizen	Ms. Matilda	Pilacapio	Community Rep
Provincial Youth Council	Mr. Francis	Masiang	President
Ravore Community Development Forum	Mr. John	Teingo	Civil Society
Rigo Central Association	Mr. Gwaibo	Mairi	
Rigo Informal Association	Mr. Kulau	Namona	Vice President
RSA Foundation	Mr. Robson Steven	Aua	Coordinator
RSA Foundation	Mr. Steven	Robson	Program Officer
Rural Industries Council	Mr. Brown	Bai	Chairman
SHFSVAC	Mr. Jacob	Mambi	Secretary
ST. Martin De Pores Pariist Morata	Mr. Albert	Susuve	Euchristic Ministry/Artist
Tenkile Conservation Alliance Inc	Mr. Christopher	Talie	Advisor
Transparency International PNG	Mr. Richard	Kassman	Director
Transparency International PNG	Ms. Guim	Kagl	Civic Edu Project Manager
Waptikau Consultants	Mr. Joseph	Kapticau	Private Citizen
Western Provincial Aids Committee	Mr. Gabriel Sivi	Maroa	Provincial HIV/AIDS Counselling Co-ordinator
United Church	Mr. Loko	Anota	Lecturer

United Church	Mr. Kaminiel	Danniel	
Poreporena Lahana Congregation	Rev. Peter	John	Pastor
Centre for Budget & Governance Accountability	Ms. Pooja	Parvati	Research Associate
Caritas Papua New Guinea	Ms. Mary	Toliman	National Director
ACADEMIC			
UPNG	Dr. Lekshmi N.	Pillai	Strand Leader & Senior Lecturer UPNG
University of PNG	Prof. David	Kavanamur	Lecturer - School of Business
University of Vudal	Mr. Navus	Peter	Acting head of Agriculture Dept.
University of PNG	Ms. Rosa	Aua	Lecturer
MEDIA			
Wantok Niuspaper	Mr. Paul	Zyvani	Reporter
National	Mr. Issac	Nicholas	Reporter
Media Coordinator	Mr. Peter	Niesi	Consultant
INA & CIMC			
Institute of National Affairs	Mr. Paul	Barker	Director
Institute of National Affairs	Ms. Mary	Morehari	Librarian
Institute of National Affairs	Mr. Steven	Goi	Officer
CIMC Secretariat	Ms. Marjorie	Andrew	Executive Officer
CIMC Secretariat	Mr. Alois	Francis	Deputy Executive Officer
CIMC Secretariat	Ms. Wallis	Yakam	Senior Project Officer
CIMC Secretariat	Ms. Ume	Wainetti	Program Coordinator
CIMC Secretariat	Mr. Alois	Gaglu	Research Officer
CIMC Secretariat	Mr. John	Varey	Project Officer - IS
CIMC Secretariat	Ms. Geraldine	Paul	Communications Officer
CIMC Secretariat	Ms. Rose	Elk	Finance Officer
CIMC Secretariat	Ms. Gertrude	Wap	Administration Officer

Appendix 2: Forum proceedings

Day 1 Wednesday 24 October

8.00 – 8.30	Participants registered	SESSION 1: OPENING
8.30	MC: Mr. Henry Kila, President PNG Business Council	Master of Ceremony - welcome
8.35 – 8.40	Mr. Emmanuel Kauna, Dean of Christian Leaders Training College Port Moresby	Prayer for the Forum
8.40 – 8.43	Hohola Pathfinders	National Anthem
8.45 – 9.15	Hon Paul Tiensten, MP, Minister for National Planning & District Development	Key Note Address on forum theme and Government's priorities for next 5 years
		Questions and discussion
10.30 – 10.40	Ms Marjorie Andrew, Executive Officer CIMC	Purpose of the Forum & Summary of RDF & NDF Recommendations
10.15 – 10.30	MORNING TEA	
	Chair: Ms. Marjorie Andrew	SESSION II: IMPROVING TRANSPARENCY AND ACCOUNTABILITY IN BUDGET SPENDING
10.40 – 11.00	Ms. Nino Saruva, Deputy Secretary, Dept. of Treasury	Measures to Improve Transparency and Accountability by Treasury at all levels
11.00 – 11.20	Ms. Juliana Kubak, Acting Deputy Secretary, Policy Dept. of National Planning & District Development	Measures to Improve Transparency and Accountability in Planning and Implementation at all levels
11.20 – 11.50	Mr. Paul Sai'i – A/Director, Office of Rural Development	Management and Reporting on the District Grants
11.50 – 12.10	Gabriel Yer, Secretary, Dept. of Finance	Measures to Improve Transparency and Accountability by Finance at all levels
12.10 – 12.30		Questions and discussion
12.30 – 1.15	LUNCH	
	Chair: Mr. Ron Kisakau, Consultant, Kisokau Consultants Ltd	SESSION III: REGIONAL DEVELOPMENT FORUM REPORTS
1.15 – 1.25	Mr John Sari – Executive Officer, Eastern Highlands Provincial	Recommendations from Highlands Regional Forum

	Committee Advisory Secretariat Ms Janet Nisa – Peace Foundation Melanesia, Southern Highlands	
1.25 – 1.35	Mr Martin Negai – Coordinator, Momase regional Secretariat Ms Mary Kamang – President, Madang Provincial Council of Women	Recommendations from Momase Regional Forum
1.35 – 1.45	Mr Gregory Toxie – Lord Mayor, Kavieng Urban LLG Ms Agnes Titus – Project Officer, Leitana Nehan Women’s Development Agency	Recommendations from New Guinea Islands Regional Forum
1.45 – 1.55	Mr Monti Derari – Provincial Administrator, Oro province Ms Catherine Natera – Project Officer, Papua Hahine Social Action Forum	Recommendations from Southern Regional Forum
1.55 – 2.15		Questions and discussion
2.15 – 2.30	AFTERNOON TEA	
		SESSION IV: GROUP DISCUSSIONS
2.30 – 3.30	Break out into 4 large discussion groups Each group to appoint a reporter	Discuss issues and make recommendations in response to issues/ recommendations presented Day 1
3.30 – 4.00		Reports from group discussions
4.00	Close	

Day 2 Thursday 25 October

	Chair: Prof. David Kavanamur, School of Business Administration, UPNG	SESSION V: ADDRESSING MANAGEMENT AND COORDINATION ISSUES
8.20 -8.30	Day 1 Chair person	Conclusions and recommendations from Day 1
8.30 – 9.00	Dr. Nao Badu - CEO & Commissioner of National Economic and Fiscal Commission	Work of the National Economic & Fiscal Commission on Functional Grants Analysis
9.00 – 9.15	Mr. Russell Ikosi – A/Secretary, Dept. Provincial and Local Level Government Affairs	Implications of the proposed new District Authority Act
9.15 – 9.35		Questions and Discussion
9.35 – 9.50	Mr. Tekura Renagi – Rigo LLG, Central Province	Local Level Government Perspectives
9.50 –	Mr. David Piamia –	Local Level Government Perspectives

10.05	Toma/Vunadidir LLG, East New Britain Province	
10.05 – 10.20		Questions and discussion
10.20 – 10.35	MORNING TEA	
THURSDAY 25 OCTOBER	Chair: Prof. David Kavanamur, UPNG	SESSION VI: SAFEGUARDING BUDGET EXECUTION: PROCESSES AND ADVANTAGES OF OPEN BUDGETING
10.35 – 10.55	Ms. Pooja Parvati – Research Associate, Centre for Budget Governance & Accountability (CBGA), New Delhi, India	Open Budget Studies – Experience of CBGA
10.55 – 11.05		Questions and discussion
11.05 – 11.20	Hon. Bob Danaya MP - Deputy Chairman, Public Accounts Committee	Work of the PAC and the Report of 2007
11.20 – 11.35	Mr. Ila Geno – Chief Ombudsman, Ombudsman Commission	Work of Ombudsman Commission on Safeguarding Budget Execution and Improving Accountability
11.35 – 11.50	Mr. George Sullimann – Auditor General, Auditor General’s Office	Work of the Auditor General’s Office on Improving Accountability and Reporting
11.50 – 12.15		Questions and discussion
12.15 – 1.15	LUNCH	
	Chair: Ms Iva Kola	SESSION VII: CIMC SECTORAL COMMITTEE REPORTS
1.15 – 1.30	Mr. Pae Gure – Chairman	Transport & Infrastructure Committee
1.30 – 1.45	Mr. Brown Bai – Chairman,	Rural Industries Council / Agricultural Sectoral Committee
1.45 – 2.00	Mr. Graham Ainui – Chairman	Law and Order Sectoral Committee
2.00 – 2.15	Ms. Rosa Au – Deputy Chairperson	Family and Sexual Violence Action Committee
2.15 – 2.25	Dr. Clement Malau – Secretary, Dept. Health	Perspectives on the Health Sector
2.25 – 2.24		Questions and discussion
2.45 – 3.00	AFTERNOON TEA	
		SESSION VIII: GROUP DISCUSSIONS
3.00 – 3.30	Break out into 4 large discussion groups Each group to appoint a reporter	Discuss issues and make recommendations in response to issues/ recommendations presented

		Day 2
3.30 – 4.00		Reports from group discussions
4.00	Close	

Day 3 Friday 26 October

	Chair: Mr. Camillus Midire – Chief Executive Officer, PNG Infrastructure Sustainable Limited.	SESSION IX: CIMC SECTORAL COMMITTEE REPORTS
8.20 – 8.30	Day 2 Chair person	Conclusions and recommendations from Day 2
8.30 – 8.45	Mr. Henry Kila - President PNG Business Council	Commerce & Services Sectoral Committee, and Private Sector perspectives
8.45 – 9.00	Mr. Richard Kassman – Chairman	Tourism Sectoral Committee
9.00 – 9.15	Mr. Peter Vincent – CEO, PNG Tourism Authority	National Tourism Master Plan
9.15 – 9.30	Mr. Max. Kep – Chairman, Informal Sector Committee	Progress on Informal Economy Policy Development
9.30 – 10.00		Questions and discussion
10.00 – 10.30	MORNING TEA	
	Chair: Camillus Midire – CEO, PNG Sustainable Infrastructure Limited	SESSION X: IMPROVING TRANSPARENCY AND ACCOUNTABILITY IN BUDGET SPENDING AND RESOURCE MANAGEMENT
10.45 – 11.00	Mr. Brown Kiki – General Manager, National Forestry Authority	Perspectives on Forestry Development
11.00 – 11.15	Ms. Etwina Apai – Secretary, Dept. Education	Perspectives from Education
12.00-1.00	Facilitator – Marjorie Andrew	Discussion and adoption of recommendations
12.00 – 1.00	LUNCH	
1.15	David Piamia, President Tomu/Vunadirdir LLG	Official Closing Address
		CLOSE OF FORUM

Appendix 3: Forum Outcomes in Detail

The CIMC process involves holding each year 4 Regional Development Forums in the provinces with a total attendance of 700-800 attendees at all the regional forums. The CIMC also runs a number of Sectoral Committees and working groups on selected thematic topics or sectors, of which make recommendations through to the National Development Forum. The National Development Forum (NDF), held once a year in Port Moresby, therefore pulls together advice, findings and recommendations from a wide cross section of Papua New Guinea society. This year there were a total of 200 participants at the National Development Forum, with 146 organisations represented from government, sub-national government, the private sector, donors, civil society, academia and the media.

The recommendations made by the NDF were adopted “in-principle” by almost all Forum participants. Time and other constraints precluded an opportunity to finalise specific text. However, it was agreed that the CIMC Secretariat would refine the wording of the recommendations, provide the basis for the recommendations given.

The Recommendations of the Forum can be presented under the following headings:

- Private sector growth
- Law and order
- Infrastructure
- Human resource development
- Family and sexual violence
- Good governance

1. Private sector growth

Table 1. NDF 2007 Recommendations related to private sector growth

	ISSUE	FINDING	RECOMMENDATION
PS 01	Enhancing Government's Engagement with the Private Sector	There are few opportunities for the Government to dialogue with private sector officials at a high level on matters affecting the performance of the private sector.	The Government to develop a structure to strengthen and ensure effective operation of the National Working Group on Removing Impediments to Business and Investment and for it to reconvene immediately. And active use of CIMC process (For example, Commerce and Service Committee, etc).
PS 02	Review and implement the	Weak and inadequate capacity within the public	The Government to provide financial support through the

	Small and Medium Enterprise Policy	<p>sector to formulate, implement, monitor and evaluate private sector policies that explicitly take into account the specific needs of enterprises (especially the interests of micro, small and medium scale enterprises).</p> <p>The existing SME Policy was endorsed by NEC back in 1998. Since then it has not been effectively implemented due to lack of resources and support from the government.</p>	Public Investment Programme to review the existing SME Policy and for further implementation commencing in 2008.
PS 03	Improve Training and Localization for Nationals in the Private Sector	<p>Inadequate support provided to the Private Sector to institute training of their local staff, especially by small businesses.</p> <p>PNG Educational institutions do not provide appropriate training that private businesses need, as well as in the Informal Economy, particularly, life skills and assessment of need and response.</p> <p>The National Training Council (NTC) conducted a survey last year and this year to develop the HR requirement with the Training priorities as well as the training needs of organizations including the private sector. In this exercise the private sector has responded very well. The NTC should be properly staffed to perform</p>	Department of Personnel Management to approve the organizational restructure submitted 3 years ago by the National Training Council.

		such tasks.	
PS 04	Create a One-Stop Business License Centre for all Businesses	The One-Stop Shop has been partially set up with Immigration and Department of Labor providing offices at Moale Haus. The Investment Promotion Authority is yet to set up an extension of its services there also.	The Government should fully implement the One Stop Shop concept with a view to streamlining visas, business certification and work permit services so that investors can commence their operations quickly. This rationalization does not need simply to be in a building but set up online services and other ways of providing efficient services.
PS 05	Promote International Trade by Reducing the Constraints Associated With Export and Import Procedures	Currently there is no trade policy for PNG. There is need for such a policy for diversification and increasing the export base, to assess and promote new areas of competitive advantage, and secure agreements to take advantage of preferential international market opportunities and is not disadvantaged in international trading organisations.	Department of Foreign Affairs and Trade to develop a National Policy on Trade in wide consultation with the private sector (and credit security).
PS 06	Enable provision of reliable utilities and services at competitive prices	Enhancing the quality of public services, keeping the cost of providing these at competitive prices, is strategic to achieving private sector-led growth. The National ICT Policy, Telecommunications Deregulations, Electricity Industry Policy, Airlines Industry Review, and transport industry reviews in Shipping, PMV & taxi Industries, and the Agreements relating to the	The Government to develop policies to allow competition in the provision of utilities, such as electricity, water, transport and tele-communications, airline services, internet and mobile services.

		Cost of Fuel (Inter Oil), are all policies being considered by the government at present.	
PS 07	Implement the Tourism Master Plan	The Tourism Master Plan is now being implemented. The TPA is in the process of developing viable impact projects for Government's consideration.	The Tourism Promotion Authority to maintain partnership with all stakeholders to continue implement the Tourism Master Plan including greater and direct accountability to the stakeholders. Government to continue financial support for its implementation.
PS 08	Reduce the High Cost of Air Transportation	The ICCC carried out the Air Transport Review recommendations and tax incentives to address the high cost of travel to the country. The Review recommendations are yet to be implemented.	The Government to fast-track the implementation of the Air Transport Review and encourage new investment and competition in airline services.
PS 09	Encourage Participation of Local Tourist Operators and Public in Providing Tourist Activities	Local communities would like to participate in tourist activities in their area. Policies should be 'people-friendly' so that they can benefit.	The Tourism Promotion Authority and Provincial Tourism Bureaus in partnership with other partners (working with private sector or NGOs, donors and regional agencies), should provide awareness and skills training for communities to take advantage of the tourism opportunities being developed.
PS 10	Support the Informal Economy for Employment Creation and Income Generation	There is need to formulate a policy that can guide the government to provide support to develop the informal economy and to encourage informal businesses to become	The Government to provide adequate resources to develop the National Policy on Informal Economy for 2008 and 2009. To enable people to participate in the economy actively, support in skills training, removal of

		formal.	restrictions and so on but encourage application and training of standards.
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2. Law and order

Table 2. NDF 2007 Recommendations relating to law and order

	ISSUE	FINDINGS	RECOMMENDATION
LAW 01	Implement the Security (Protection) Industry Act	The Security Industry Association has not yet elected two members to the Security Industry Council. An employees representative is also needed. The Act provides for these three representatives to join the council one (1) year after the commencement of the act (1 st March 2005). This period has lapsed and there are legal implications if the SIC continues to make decisions without a fully constituted Council.	The Security Industry Providers Association to engage the services of the Electoral Commission to conduct an election of 2 members to be representatives on the SIC. Also, Security Industry Providers Association is to nominate one employee representative to the Council. The Minister for Internal Security to receive nominees and make the appointment. As soon As this is done, SIC to convene a proper Council meeting.
LAW 02	Establish Skills Competency for Security license holders	Security Guards lack training in people skills, crowd control and use of weapons. There is need to establish nationally recognised Skills and Competencies as established under the Security (Protection) Industry Act in order that License Holder can ensure that permit holders (security guards) are adequately trained and managed.	The Government should direct the Security Industry Authority (SIA) to set the Competencies for security guards and related personnel, and submit these to the National Training Council for approval. The SIA monitor the trainers/companies that provide such training and graduate trainees using such competencies.
LAW	Investigate and	NACA is a collaboration	The Government to endorse the

03	Prosecute Alleged Fraud and Corruption in the Public Service by Endorsing the National Anti Corruption Alliance	between 8 state agencies who are mandated by law to investigate alleged corruption cases. It has been proven through the recently concluded Southern Highlands Payroll Fraud Investigations conducted by NACA that it is more effective when agencies work together to investigate such cases because they are able to share limited resources, including money and manpower and is time efficient and logistically well organized. Instances of bribery and intimidation by perpetrators is minimized. Funding to NACA at the moment is coming from the AusAID sponsored Law and Justice Sector Program. NACA currently needs the endorsement by Government of its work to fight corruption to institutionalize collaboration by the agencies, and as a basis for securing additional resources in a timely manner.	NEC Policy Submission put in by the National Anti Corruption Alliance (NACA) Board through the Internal Security Minister. The Government to allocate funding of K1 million for NACA operations through the 2009 Annual Budget.
LAW 04	Replicate the Urban Safety Program of the National Capital District to Other Major Urban Centers	The joint collaboration between the NCD city authority, the private sector, NGOs, government agencies and aid donors, through the Yumi Lukautim Mosbi Projet (YLMP) in Port Moresby provides a model for duplication in other center, possibly in	The Government to request the Law and Justice Sector Program to have the current adviser to YLMP to help roll out YLM type activities to Lae and Mt Hagen by identifying stakeholders such as businesses, community leaders and non government organisation

		Lae and Mt. Hagen. There has been pockets of successful initiatives undertaken through this mechanism such as prisoner rehabilitation projects, skills training by Ginigoada for hospitality students at Limana vocational school, and engagement of City Mission to train youths.	leaders. AusAID to approve funding for this activity and for the projects to be established in these two cities.
LAW 05	Institute Sector Budgeting for the Law and Justice Sector.	Sectoral Budgeting is an important planning tool if PNG is to move ahead in its efforts to think and work in a coordinated manner, as a sector to deal with our persistent problems.	The Government to explore the possibility and benefits of adopting a sectoral planning and budgeting, monitoring and reporting. The Law and Justice Sector to liaise with the Department of National Planning and Monitoring, Finance and Treasury to design such a system.
LAW 06	Implement Recommendations of the Police Review Report.	Only a few recommendations of the Police Review Report conducted in 2004 have been implemented so far. This has resulted in the continued low performance of the police force, and resulted in weak capacity to deal with the worsening crime situation in the country.	The Government to allocate sufficient funding in the 2008 and 2009 Budgets to RPNG specifically for implementation of the outstanding Review Recommendations.
LAW 07	Establish the Financial Intelligence Unit to Operate Effectively	Government established the Financial Intelligence Unit (FIU) within the National Fraud and Anti-Corruption Directorate in 2006, but no funding has been provided.	The Office of the Attorney General and the Minister for Internal Security to put in a joint submission to seek funding from GoPNG for the establishment of the FIU.

3. Infrastructure

Table 3. NDF 2007 Recommendations relating to infrastructure

ISSUE		FINDING	RECOMMENDATION
INF 01	Develop Capacity of Districts	Infrastructure in the districts has deteriorated, with poor services, and few people wanting to live in remote district stations. Public servants are being forced to travel to centers to collect their pay, shop, bank and visit hospital.	The Government to draw up a plan for each of the 89 district headquarters and provide funding for building houses, offices, water, electricity, telephones, and internet services. In addition to improving basic health and education services, the government should include additional infrastructure and personnel to be provided for at the districts such as police, prosecutors, courts, correctional facilities and audit units.
INF 02	Road Maintenance	Current maintenance methods used by the Government have proven to be too costly and not sound technically.	Government through Departments of Works and Transport should institute a study into alternative methods of road maintenance used by similar countries like PNG with mountainous terrains, etc.
INF 03	Integrating Maintenance	The perceived benefits of having a provision in all maintenance contracts to maintain social infrastructure especially schools and medical services within the vicinity of the project are many including HIV/Aids awareness and others. There will be ownership of the road, etc by communities.	Government to instruct Department of Works to ensure that all maintenance and construction contracts have to have a provision for maintenance of existing social infrastructure, particularly schools and medical services within the vicinity of the project.
INF 04	Coordinating Infrastructure Development	The Committee feels that this will provide active support to its work in terms of acting	The Government to dedicate an officer/s within any of the 3 departments (DOW, DOT, DNPM) with some funding to

		as conduit for channeling of information both from all 3 departments (DOW, DNP&DD, DoT) as well as to stakeholders in the committee. This will also give the Chairman ready access to the three departments.	assist the work of the Committee commencing in 2008.
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4. Human resource development

Table 4. NDF 2007 Recommendations relating to human resource development

ISSUE		FINDING	RECOMMENDATION
HRD 01	Give Population Management Higher Priority	Population growth continues to outstrip the provision of social services and infrastructure. The high fertility rate has also resulted in a youthful population with a high dependency ratio. The immediate challenge for human resources development is to formulate appropriate strategies to manage the population to ensure that population growth rate is maintained at a level that will support economic growth and social development.	<p>The Department of National Planning and Rural Development to support and coordinate the Population Council to operate and reconvene immediately.</p> <p>The Department of National Planning and Monitoring to fully implement the National Population Policy, including the establishment of the senior planner's position to coordinate sectors to implement the Policy.</p>
HRD 02	Strengthen the multi-agency Co-ordination for Population Management:	Population Policy is one policy that must involve the people (community) in the implementation. People must fully understand the importance of what Population policy is about and appreciate why such a policy is required and how they stand to benefit from	The policy interventions in this regard will include: build the capacity of the National Population Council and partner agencies for the integration of population concerns in the MTDS; provide technical leadership to co-ordinate population activities at all levels; and develop appropriate

		participating in the implementation. A cross sectoral approach must be developed so that all (Private, Govt. and Non-State Actors) are involved and take ownership. For this reason, the policy must be discussed openly and public views incorporated to develop a social strategy for implementation.	advocacy strategies for population management. Create public awareness and ownership of the Population Policy.
HRD 03	Improve Implementation and Reporting on CEDAW Articles	The PNG Government in 1989 ratified the Convention on Elimination of All Forms of Discrimination Against Women (CEDAW) articles. Since gender equity is a major issue in Papua New Guinea, including low enrollment, low rates of literacy, and high drop out rates for girls especially in higher grades. Therefore, there is an urgent need to have CEDAW articles implemented by all relevant departments. PNG Government has also failed to report back to United Nations on the status of CEDAW implementation.	The Government to provide budgetary support to the CEDAW Desk at the Department of Justice and Attorney General's Office to implement the articles of CEDAW

5. Family and sexual violence

Table 5. NDF 2007 Recommendations relating to family and sexual violence

	ISSUE	FINDING	RECOMMENDATION
FSV 01	Institute Justice for Victims of Discrimination, Sexual Abuse, Harassment,	Current internal procedures are inadequate in investigating discrimination and harassment cases in the Public and Private Sectors.	The Government through the Department of the Attorney General, should establish an Independent Human Rights Commission and a Tribunal

	Rape and Violence	<p>Women and children in particular are being treated unfairly. A Human Rights Commission would provide an independent hearing and help to resolve disputes, correct the situation or some other restorative justice.</p> <p>The FSVAC would like the National Courts to appoint a Judge who would hear the human rights abuse cases e.g. sexual harassment, gender equity cases, workplace policies etc. The matter was discussed that they also need a Human Rights Tribunal within the Judiciary to prosecute offenders of extreme cases of sexual violence and hear cases.</p>	with powers to prosecute and punish human rights offenders and abusers.
FSV 02	Consolidate and Support the Family and Sexual Violence Action Committee Program	<p>As PNG is now experiencing a dramatic increase in family and sexual violence occurrences, this clearly shows a society of family units falling apart in morality and values. A healthy society reflects stable family but PNG families units are not held together for obvious reasons of violence in family homes. The long term implications of violence on women and children on development and economic growth are unpredictable. Papua New Guineans must act as a nation in addressing these issues to arrest the destructive path families are pursuing or the destruction of family units.</p>	<p>The Government to acknowledge and adopt the PNG Family and Sexual Violence Integrated Long Term Strategy as its National response to Family and sexual violence</p> <p>The Government as its national response must give budgetary support to implement the second phase of the Family and Sexual Violence Action Committee Integrated Long-Term Strategy and training on other parts of community and extending projects in all provinces.</p>

		<p>The PNG Family and Sexual Violence Action Committee (FSVAC)'s Long Term Strategy was developed in 2000. The strategy has now run into its full term with donor support, implemented by NGOs and Law and Justice Sector agencies. The FSVAC strategy is going to be reviewed in January, 2008 and a second phase of the program will be developed.</p>	
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6. Good governance

Table 6. NDF 2007 Recommendations relating to good governance

ISSUE		FINDING	RECOMMENDATION
GG 01	Strict Enforcement of the Public Finance Management Act.	<p>Is has been widely reported (from watchdog bodies such as PAC, AG, OC, and the Provinces that there is widespread non compliance with rules and procedures of the Public Finance (Management) Act. Financial Statements and Performance Management Reports are not produced in a timely and accurate basis by most government departments and agencies.</p>	<p>Government to provide adequate resources for Departments and Agencies to fund their backlog of preparation of financial statements, and additional resources to the Auditor General's Office to complete audits of all Departments and Agencies in a timely manner.</p> <p>All CEOs to submit annual financial statements to the Department of Finance and the Auditor General's Office. Failure to submit by CEOs should be referred to the Ombudsman Commission as breach of Leadership Code.</p> <p>Empower the Ombudsman Commission, Public Accounts Committee, Public Prosecutor, Finance Inspectors and Police</p>

			<p>Fraud Squad to perform their functions effectively and independently.</p> <p>Department of Finance and the Auditor General's Office and other enforcement bodies to develop strategies, processes, and programs commencing 2008 to ensure effective monitoring, audit and prosecution of wrong doers (civil recovery prosecutions, criminal prosecutions, leadership prosecutions, etc).</p> <p>Government to increase resource allocation for the Auditor General's Office to check, inspect, and report.</p> <p>Minster for Finance to give priority to the establishment of Internal Audit Units in all provinces and departments and Government agencies. Ensure effective independent oversight also of the central agencies themselves.</p>
GG 02	Plain Budget Information Which Is Readily Available Makes Government More Accessible	<p>Papua New Guineans do not trust a government that does not communicate clearly about how it spends public resources.</p> <p>The public perception is that the public do not understand the budget process – formulation, enactment, execution and reporting. The current budget information that is available is too technical to understand and difficult to access.</p>	<p>Government to direct the Departments of Finance and Treasury to prepare a comprehensive, reliable and useful and practical budget information and make these available to the public in a clear and accessible form.</p> <p>The Ministers for Finance and Treasury establish a Working Committee made up of relevant stakeholders from Government, Private Sector and Civil Society, on how this recommendation can be addressed.</p> <p>The Minister to issue a Financial</p>

			<p>Instruction Circular to all levels of Government specifying how budget information is to be shared with the public. This would mean an improvement in the financial data systems. The Department of Finance to expedite the implementation of the Integrated Financial Management System (IFMS) which would support the availability of data to produce the budget information for this recommendation.</p> <p>That dissemination of budget information be improved through print and electronic media and radio, and other mechanisms and have them widely distributed.</p>
GG 03	Strengthen Capacity of Monitoring and Reporting Systems at all Levels of Government.	There is a lack of monitoring to enforce the Public Finance (Management) Act and implementation of the Budget at the National, Provincial and District levels. The monitoring and evaluation division of the Department of National Planning and Monitoring and the Department of Finance do not seem to be closely monitoring what happens at the provincial and district levels in terms of the development budget expenditure, including functional and district grants. The wider public, including LLGs, etc, have little awareness of the Development Budget or other components of the Budget, for their Province	<p>Departments of Finance and National Planning and Monitoring to secure Performance Management Reports each quarter, along side Quarterly Reviews. Senior management to be involved in assessing the performance reports, to assess performance results and to manage implementation and cash flow problems. This information should be conveyed to relevant authorities and made accessible to the public. Private Sector (including {Professional bodies}) should participate in oversight process regarding budget expenditure and staff appointments at National, Provincial and District Levels.</p> <p>Government should direct the Office of Rural Development to</p>

		<p>and District.</p> <p>There is deliberate delay by provincial governments, statutory bodies, and business arms of provincial governments in submitting financial reports. There is also non-compliance of financial management rules and procedures by these bodies. (In some cases they do not have the funds to pay for backlog of audits, for which that are charged).</p> <p>The Office of Rural Development reported that it does not have the capacity to physically inspect and monitor the implementation of all district grants specified under the JDP&BPC procedures, but reported that this is widely abused and the Committee is used as a rubber stamps.</p>	<p>prepare a corporate plan and adequate budget to monitor and report effectively the implementation of the District Grants.</p> <p>Government requires the ORD Corporate Plan to focus on improving capacity. The DNPM and the ORD to formulate a strategy to involve the community in monitoring the performance of budget execution and service delivery at the Ward and LLG levels.</p> <p>Government to support establishment of CIMC structures at the Provincial and Local Levels working with Provincial Governments and CIMC Secretariat. Government to support the coordination and monitoring work of the Provincial and Local Level Government Services Monitoring Authority (PLLSMA) under the Department of Provincial and Local Level Government Affairs.</p>
GG 04	Improve Capacity of the Auditor General's Office by Increasing Qualified Personnel and Use of Innovative Strategies.	The Auditor General reported that financial statements are still in arrears. For example 89% of provincial governments had not produced Financial Statements for 2004, 68% in 2005, and 26% in 2006, that National Departments at present do not produce financial statements, no performance and management reports. At present the AG Office plan	<p>The Auditor General to develop a coordinated executive and performance management system.</p> <p>Develop strategies to reduce the backlog of audits accumulated from previous years.</p> <p>Develop graduate schemes to utilize university graduates on low cost and reduce the back log of work in the Auditor General's Office.</p>

		<p>to complete 200 audits with only 22 staff. And it is difficult to recruit and retain these officers because they go to take more attractive offers from outside after they receive the training. Budget spending and implementation performance cannot be adequately understood and improved without these reports. The AG has powers to charge offenders but does not use them. The PAC has powers only to enquire but not enforce.</p>	<p>Government to provide adequate funding to the AG for it to have adequate staff and to retain staff for the AG to be able to effectively carry out enforcement of audits. AG must refer to Public Prosecutor.</p> <p>Staff to be trained as Certified Practising Accountants.</p> <p>Graduate accountant program involving exchange and secondment of graduate to the Australian National Audit Office for one year.</p>
GG 05	<p>Enforce the Leadership Code for appointments of members of the Joint District Budget Priorities and Planning Committees and the Provincial Assembly.</p>	<p>JDP&BPC's are not meeting without suitably qualified or nominated/selected people, etc. JDP&BPC's often are not properly constituted, but used as rubber stamps – where properly constituted often do not meet and the MPs control them. The 3 civil society (church and women) representatives are appointed by the MP, not selected or elected by the whole community/electorate.</p>	<p>Enforcement of the leadership code to all chief accountable officers at the provincial and district levels and leaders appointed to the JDBPPC.</p> <p>Appointments of members to these committees should be genuine representatives of those groups specified in the Organic Law (OLPLLG). There should be no conflict of interest by the Chairman or District Administrators in the appointment of these members.</p> <p>District and LLG staff to be properly selected based on qualifications and merit. Also need civil society and private sector oversight in the system.</p>
GG 06	<p>Ensure Clear Reporting and Accountability Systems Between District and</p>	<p>Provincial Administrators complained that District Administrators were reporting directly to National Government particularly on</p>	<p>The relevant departments to establish a clear reporting and accountability mechanism to both the provincial and relevant National Departments down to</p>

	Provincial Administrations.	the use of District Grants and donor funded projects, and not reporting through the Provincial Administrators, who are the Chief Accountable Officers for the provinces.	<p>the local community and better link with Provincial and District and Ward Plans concerning the receipt and expenditure of all public monies, including donor funds, and performance reports.</p> <p>District Treasuries to have suitable housing conditions to encourage them to remain at districts. District staff to be transparently appointed on merit and adequately paid, but able to be readily dismissed if they do not perform to standard are corrupt.</p> <p>Government to undertake a review of the enabling laws including the Organic Law on Provincial and Local Level Government, The Public Service (Management) Act, and the Leadership Code, to promote accountability and transparency of the District Administration, LLG, and the JDBPPC.</p> <p>These District Reports on the District Grants and donor funding are to be made available at Quarterly Reviews for each province.</p>
GG 07	Make Information Available to the Public and Communities about Roles and Responsibilities of Government in Plain Language.	The decentralized system is complex and accountability is not clear. Participants (within government as well as outside) have reported that there is very little information is available which clearly explains how government works and who is responsible for making what decisions regarding the management of public finances.	<p>Government to direct the Department of Information and Communication to produce an Annual Directory on Government Roles and Responsibilities of each level of government in the management of public finances, including the names and titles of officers in key decision-making positions, by location.</p> <p>Funds are public funds and the community should also act as a</p>

			watchdog and have a responsibility to ensure funds are being properly spent/used.
GG 08	Improve the Performance of District Administration, LLG Office Holders and Staff.	Staff lack basic skills and knowledge in planning, coordination and management, formulation of budgets, implementation and reporting.	Develop a separate nation-wide capacity building program and funding to lift the levels of skills and knowledge necessary for district and LLG staff, on ward planning processes, budget formulation, project management, reports and risks management. Give training to District Administrators to properly account and keep records of spending funds. Government to engage community-based groups, redundant skilled people to address the capacity problems at the district and LLG levels. Also need to improve the staff selection criteria, etc. Also proper selection of suitably qualified LLG staff (e.g. Gr. 10 drop outs as Council Clerks)
GG 09	Increase Financial Authorization Amount for District Administrators	District Administrators have to travel to provincial centers to obtain authorization to spend relatively small amounts of money ranging from K2,000 in some provinces to K100,000 in others for grants. This is very expensive exercise traveling and time consuming and as a result projects cannot be implemented on time and with appropriate budget costing as planned. Work and implementation are determined by allocating activities that will cost less than K100,000.	Government to develop a policy to delegate more powers and functions to District Administrators and the LLGs and Wards where acquittals have occurred and adequate staff capacity in place. Perhaps a phased approach is needed but linked to effective oversight if performance is not satisfactory. Increase to a reasonable level so as not needing to go to Provincial Headquarters for every payment over certain amount (e.g. K2000 in some provinces) but ensure adequate oversight. Review the Public Finance (Management) Act to implement

			the above.
GG 10	Create a Formal Mechanism for the Community to Participate Effectively in the Planning and Budget Process.	The Government lacks a formal mechanism to allow genuine community participation in the planning and budget process from the Ward level to District, Provincial and National Levels. Government officers lack the skills to effectively manage and coordinate community participation in the planning and budgeting process.	The Government in partnership with private sector bodies and civil society organizations, should develop guidelines for ensuring that the public is formally invited to participate in decisions affecting policies, plans, budgets and implementation and oversight. The Minister for National Planning and Monitoring should adopt these guidelines during 2008 for Non-State Partners to make their viewpoints known and to have these views taken seriously at each level of Government (including Supply and Tenders Boards). At National, Provincial and District and Wards levels, including CIMC consultations as well.
GG 11	Absence of all types of infrastructure in district stations hinders delivery of basic services	Unreliable roads and bridges and un-interrupted electricity, clean water supply, telecommunications, transport, banks, police, health and education facilities, are the essential services that are required as the platform for economic growth and social development in the rural areas.	Government to provide integrated district development plans and programs in consultation with private sector and civil society in the provision of infrastructure and basic services. Government to assist provinces to construct and maintain these services in a sustainable manner whilst encouraging private sector provision of community services (e.g. telecommunications) and public –private sector partnership for power generation.
GG 12	Coordinate Government Planning and Programming from Wards, LLG	The Government’s planning and funding decisions are made in a disjointed fashion, creating delay, increased cost and failure to deliver projects	Government to direct the Department of National Planning and Monitoring to formulate a National Development Planning System and draft legislative

	level to District, Provincial, Regional, Sectoral and National.	and services.	instruments and Guidelines to regulate the Decentralized Planning System consistent with reforms to the OLPLLG.
GG 13	To Eliminate the District Authority Act	The District Authority Act presents a legal conflict and a possible constitutional crisis as the proposed district authorities exist in parallel to the LLGs and duplicates the existing Joint District Planning and Budget Priorities Committee's role. Membership of the Authority will be non-elected, and the Open Member will dominate (as is the present case with the JSDP&BPC). Concern about the blurring of political and administrative responsibilities. Under the proposed Act (which has not been gazetted and is therefore not yet in effect), the PA and the CEO of the District Authority will have control over the district administration. The Authority will not answer to the LLG and Provincial Government.	To repeal the District Authority Act. Review the OLPLLG to improved district and LLG operations to work effectively and consistent with any proposed District Planning System.
GG 14	Review the reforms introduced under the Organic Law on Provincial and Local Level Government, and the Public Service (Management) Act.	The public complain that service delivery continues to deteriorate, and blame this largely on the reforms introduced in the past two decades, in particular, the OLPLLG, the Public Service (Management) Act. Also the incapacity for Provincial Authorities to dismiss non-performing staff.	Government to conduct an evaluation on the implementation of the reforms over the past 10 years and make it more responsive, with funding better distributed and more fairly. Also Government to look at reinforcing capacity in those provinces and districts which get least funding now to handle implementation adequately.
GG	Improve the	Report about widespread	Government should conduct an

15	Terms and Conditions of Public Servants	bribery and corruption of public officials in the execution of their jobs. Better remuneration could reduce the level of temptation experienced by public officials, such as to cover accommodation and school fees and better oversight by Government and civil society watchdogs.	independent review of the terms and conditions of public servants, politicians, constitutional office holders, against the current cost of living in urban and rural areas, as well as their job responsibilities. Improvements - notably housing for staff in remote locates) to improve responsible conduct to remain in districts, but have them more readily removable for non performance.
GG 16	Reduce Level of High Staff Turnover from Key Occupations in Government	Many staff leave Government Departments and Agencies after completing professional training. Such as auditors, doctors, lawyers, engineers.	Initiate contracts and MOA before training staff for them to serve organization for a certain period before they move on. Penalties (being sued and dismissed) for breaking such contract should be imposed.
GG 17	Acknowledge the Role of Non-Government and Community Based Organisations and Improve Partnerships Between State and NGOs.	It evident that NGOs and CBOs are providing up to 50% of services especially in the rural areas, including health, education, community development, welfare, literacy, translation, transportation, civic education. These NGOs and CBOs receive very little support for operational costs, training and staff development. Private sector also has extensive presence (e.g. with distribution) which could be better used for some distribution of essential materials and services.	Government should provide funds to organizations such as the Melanesian National Center for Leadership and other mechanisms for capacity building and training programs targeted at NGOs and CBOs to improve their service delivery capacity and to effectively manage their resources. Government to adopt a set of principles for improving the effectiveness of the Government and NGO/CBO relationship.
GG 20	Redesign the Way Resources are Shared Among Provinces	The National Economic and Fiscal Commission (NEFC) have reported that the National Government allocates funds that are inequitable among provinces	The Government should address the funding gap by implementing the 'Intergovernmental Financing Reform' which will direct more resources to the low-funded provinces. Government

		or districts and reform is required to the Inter-governmental financing formula to provinces.	to use the NEFC Cost of Services Study as a guide to allocating recurrent funding to deliver core services across PNG. Also needs particular capacity building to manage funds in provinces and districts.
GG 21	Improve Provincial Funding for Priority Sectors and Priority Areas	The National Economic and Fiscal Commission (NEFC) has reported that Provinces are not allocating adequate funds to priority sectors and have high spending in low priority areas such as administration, casual staff, whilst funds also disbursed for non-allocated payouts (e.g. functional grants to funeral expenses, etc).	The Government should direct provinces to restrict their expenditure in non priority areas such as administration – salary and wages. Government to and ensure that adequate funds are made available for basic services - health, water supply, education, infrastructure (especially maintenance), and law and order, as per the Cost of Services Study (2007) for each province.
GG 22	Improve the Environment for Citizen Involvement in the Development Process	There is no mechanism for bringing together private sector, civil society and government partners to discuss issues affecting service delivery at the provincial and district levels and to provide oversight on budget expenditure. There is CIMC but it only operates at the National level. The mechanism needs to be formalized (institutionalized) for set purposes.	<p>Establishment of a CIMC- style Independent Budget Monitoring committee comprising of NGOs, churches, Chamber of Commerce.</p> <p>Involve the Public in the Monitoring and Evaluation of whether Budget funds are properly utilised.</p> <p>Advertise expenditure and what it was for – so Public can go and check if the asset exists</p> <p>Use Professional Bodies (e.g. Certified Practicing Accountants-CPA) to better monitor expenditure and release of funds.</p> <p>Work to improve performance management by working with Chambers of Commerce.</p> <p>Establish provincial and district</p>

			CIMCs such as in Eastern Highlands. Establishment of a provincial secretariat comprising of all stakeholders, based on the Eastern Highlands Provincial Advisory Committee Model.
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Appendix 4: Glossary

ADB	Asian Development Bank
AGD	Attorney General's Department
AGO	Auditor General's Office
ARDSF	Agricultural Research and Development Special Fund
AusAID	Australian Agency for International Development
CACC	Central Agencies Coordinating Committee
CBGA	Centre for Budget and Governance Accountability
CBO	Community Based Organisations
CLRC	Constitutional Law Reform Commission
CEDAW	Convention on the Elimination of all forms of Discrimination Against Women
CEO	Chief Executive Officer
CIMC	Consultative Implementation and Monitoring Council
CPA	Certified Practising Accountants
DCA	Department of Civil Aviation
DFCD	Department for Community Development
DCI	Department of Commerce and Industry
DFAT	Department of Foreign Affairs and Trade
DIC	Department of Information and Communication
DLE	Department of Labor and Employment
DNPM	Department of National Planning and Monitoring
DOF	Department of Finance
DOT	Department of Treasury
DOW	Department of Works
DPE (MSE)	Department of Public Enterprise (Ministry for State Enterprise)
DPLLGA	Department of Provincial and Local Level Government Affairs
DPM	Department of Personnel Management
DPM&NEC	Department of Prime Minister and National Executive Council
EH	Eastern Highlands
FIU	Financial Intelligence Unit
FSVAC	Family and Sexual Violence Action Committee
FVO	Field Volunteer Officer
ICCC	Independent Consumer Competition Commission
IFMS	Integrated Financial Management Systems
IMF	International Monetary Fund
IPA	Investment Promotion Authority

ISYA	Informal Sector Youth Association
JDP&BPC	Joint District Planning and Budget Priorities Committee
LJSP	Law and Justice Sector Program
LLGs	Local Level Governments
MBCSA	Milne Bay Counseling Services Association
MC	Master of Ceremony
MNCL	Melanesian NGO Centre for Leadership
MOA	Memorandum of Agreement
MTDS	Medium Term Development Strategy
NACA	National Anti Corruption Alliance
Nat	National
NCD PAC	National Capital District Provincial Aids Committee
NCDC	National Capital District Commission
NDF	National Development Forum
NDOE	National Department of Education
NDOH	National Department of Health
NEC	National Executive Council
NEFC	National Economic and Fiscal Commission
NGO	Non Government Organisation
NRA	National Roads Authority
NTC	National Training Council
NWGRIBI	National Working Group on Removing Impediments to Business and Investment
OC	Ombudsman Commission
OLPLLG	Organic Law on Provincial and Local Level Government
ORD	Office of Rural Development
PA	Provincial Administrator /Administration
PAC	Public Accounts Committee
PEA	Public Employees Association
PLLSMA	Provincial and Local Level Services Monitoring Authority
PNG	Papua New Guinea
PNGEC	Papua New Guinea Electoral Commission
PNGULLA	Papua New Guinea Urban Local Level Government Association
PSRMU	Public Sector Reform Management Unit
RDF	Regional Development Forum
RPNGC	Royal Papua New Guinea Constabulary
SBDC	Small Business Development Corporation
SHP	Southern Highlands Province
SHPFSVAC	Southern Highlands Provincial Family and Sexual Violence Action Committee
SIA	Security Industry Authority

SIC	Security Industry Council
SPA	Security Providers Association
SME	Small and Medium Enterprise
TPA	Tourism Promotion Authority
TVET	Technical and Vocational Education Training
UOT	University of Technology
UPNG	University of Papua New Guinea
YLM	Yumi Lukautim Mosbi