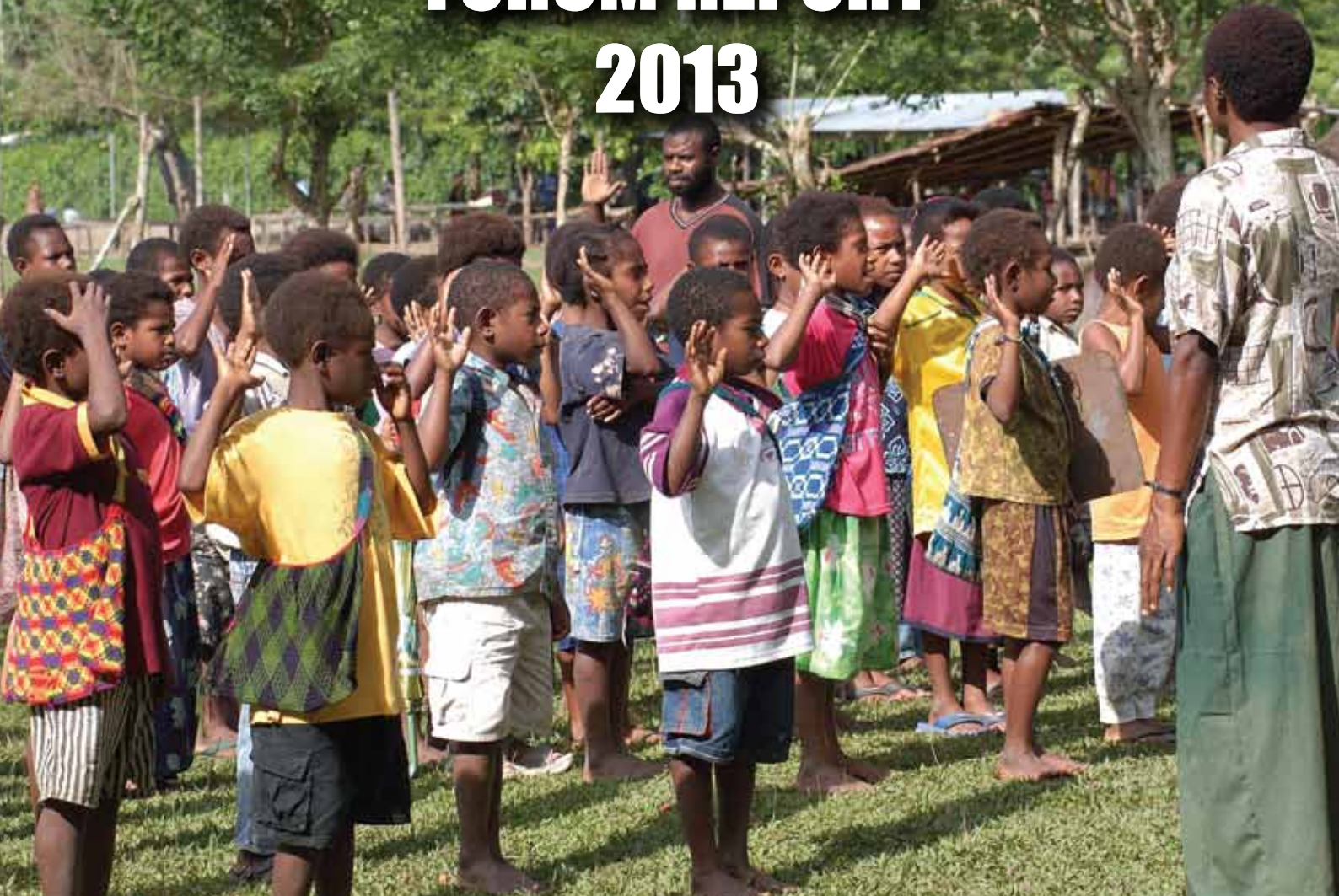




**CONSULTATIVE IMPLEMENTATION
& MONITORING COUNCIL**

NATIONAL DEVELOPMENT FORUM REPORT 2013



**Australian Government
AusAID**



Papua New Guinea



Institute of National Affairs

First published: November 2013

Published by:
Institute of National Affairs
PO Box 1530
Port Moresby
NCD
Papua New Guinea

Copyright© 2013 Institute of National Affairs – Consultative Implementation & Monitoring
Council

ISBN 9980-77-178-X
National Library Service – Papua New Guinea

**PROCEEDINGS OF THE
NATIONAL DEVELOPMENT FORUM
Held at the State Function Room,
National Parliament**

26-28 June, 2013

**Revitalizing the Districts of Papua New Guinea:
Achieving effective Community Partnership
for Quality and Sustainable Public Service
in the Districts**

Consultative Implementation and Monitoring Council (CIMC)

TABLE OF CONTENT	v
Foreword	1
Executive Summary	3
Welcome Address and Purpose of Forum Wallis Yakam Executive Officer CIMC	5
Opening Address Hon. Charles Abel, MP, Minister for National Planning & Monitoring and CIMC Chairman.....	6
Keynote Address Updates of Achieving 2013 as the Year of Implementation Hon. Leo Dion, MP, Deputy Prime Minister of Papua New Guinea.....	10
Independent Perspective-Practical Statement on Capacity of the Public Sector to Reform and Achieving Quality Service at the District Level Mr Ernie Gangloff, President Business Council of Papua New Guinea	12
Overview and Progress on 2013 Budget Implementation Mr Manu Momo, First Assistant Secretary, Policy, Department of Treasury	14
Economic Outlook for 2013 & 2014 and its Implications on Provision of Quality Services in the Districts Dr Gae Kauzi, Bank of Papua New Guinea.....	18
Progress on Aligning Provincial Districts, LLG & Ward Plans to the Alotau Accord & 2013 Budget for Inclusive Rural Development Mr Joe Kapa, Deputy Secretary, Department of National Planning and Monitoring	21
Ensuring Effective Public Accountability Systems & Processes to Achieve the Current Government's Focus – Challenges & Issues Mr Philip Nauga, Auditor General, Office of the Auditor General	23
Social Auditing to Encourage Inclusive Rural Development Ms Elizabeth Avaia, senior Project Officer, CIMC	26
The Open Parliament Initiative Mr John Varey, Project Manager, Open Parliament Initiative, Transparency International PNG Inc.....	29
Agriculture for Broad Based Opportunities and Development Mr Warren Dutton, Chairman, North Fly Rubber and Chairman of the CIMC Agriculture Sectoral Committee	32
The National Informal Economy Policy Framework – Progress and Challenges of Implementation Mr Dickson Kiragi, Executive Manager, Department of Community Development & Religion on behalf Ms Anna Solomon, Acting Secretary and Chairperson of the CIMC Informal Economy Sectoral Committee.....	38
Experiences and the Implementation of the Organic Law and other Recent Legislations – Challenges and Issues Dr Erik Kwa, Secretary, Constitutional Law Reform Commission	42

Unlocking Customary Land for Socio-Economic Development: Laws and Process Dr Erik Kwa, National Lands Reform Program Taskforce Member	44
Views from Districts and LLGs in Providing Service and Encouraging Community Participation Mr Lindsay Alesana, Alotau district Administrator, Milne Bay Province	45
Views from Districts and LLGs in Providing Services and Encouraging Community Participation Mr Tae Guambalek, Bulolo District Administrator, Morobe Province	48
2013 Momase Regional Development Forum Recommendations Mr Baltasa Maketu, NGO and Church Worker, Aitape, East Sepik Province	49
2013 Highlands Regional Development Forum Recommendations Mr Gabriel Mapa, Program Director, K1 Association, Mt Hagen, WHP.....	51
A Governor’s Perspective on Consultation and Planning for Development Hon. Gary Juffa, Governor Oro Province	53
2013 New Guinea Islands Regional Development Forum Recommendations Mr John Watmelik, Freelance Consultant, East New Britain Province	54
Views from the Southern Region on Effective Community Participation to Ensure Quality and Sustainable Public Service Delivery in the Districts Mr Owen Awaita, Oro Provincial Administrator	56
Reaching Out to the Rural Majority with Banking Services Mr Tony Westaway, Managing Director, Nationwide Micro Bank	61
Women in Business, Success Stories at the Community Level Ms Gertrude Andreas, President, Jiwaka Women in Business, Jiwaka Province	62
Provincial Initiatives/Models in the Education Sector Mr Frank Evans, West Sepik Province	65
Law and order – National Perspective Mr Joe Kanekane, Director, Law & Justice Sector Secretariat.....	67
Breaking Barriers to Encourage Effective Participation of Women in Development at the District Level Ms Ume Wainetti National Program Coordinator, CIMC, Family and Sexual Violence Action Committee.....	68
Community Empowering Community Mr Thomas Kulam, Project Manager, Domil Integrated Community development.....	68
Australian Agency for International Development Mr Stuart Schaefer, Head of Aid, Australian Agency for International Development	70
Papua New Guinea Sustainable Development Program Ms Ginia Siaguru, PNG Sustainable Development Program.....	71
European Union – Initiatives of Rural Development Mr Peter Van Den Heuvel, EU Commission, PNG Office	72

The Provincial Capacity building Project: Issues and Challenges

Mr David McLachlan-Karr, UN Resident Coordinator & UNDP Resident Representative 73

Participation by People with Disabilities in Promoting Inclusive Development

Mrs Ipul Powaseu, President, PNG Assembly of Persons with Disabilities 74

Initiatives and Plans for Active Participation of Papua New Guinea Youths

Mr Norit Luio, Commissioner, National Youth Commission..... 76

National Broadcasting Corporation – Promoting Effective Service Delivery & Inclusive Development Through Media

Mr Memafu Kapera, Managing Director, National Broadcasting Corporation 79

The Domil Community Integrated Development Experience

Mr Thomas Kulam, Project Manager 81

Close of Forum

Ambassador Michael Mauwe, (former) Secretary for Foreign Affairs and Trade..... 85

Key Recommendations & Progress Reports of the Sectoral Committees

Agriculture, Natural Resources & Environment and Informal Economy 87

Law & Order..... 88

Transport & Infrastructure 89

Commerce & Services and Family & Sexual Violence Action Committee (FSVAC)..... 90

Health, Population & HIV/AIDS..... 91

Education & Training and Budget Sectoral Committee..... 92

State - Civil Society Organisations (SCOs) Partnership Initiative 93

Appendices

Appendix 1:

2013 Development Forum Program

Appendix 2:

CIMC 2013 Annual Development Forums Recommendations

Appendix 3:

The 2012 Open Budget Index

Foreword



I am pleased to present the Report of the Consultative Implementation and Monitoring Council (CIMC), which provides a summary of the key outcomes and papers presented in the 2013 National and Regional Development Forums that were held from March to June. It also provides key recommendations channelled through the CIMC Sectoral committees.

Although I instructed the CIMC to conduct these forums within a shorter period of time compared to previous years, the CIMC successfully completed them within the required first six months for the preparation of the 2014 Budget. Over 850 participants attended the five Development Forums representing government, academia, research institutions, members of the diplomatic corps, development partners, private sector, community based organizations, churches and civil society organizations & groups.

The annual development forums and the sectoral committees are CIMC's core dialogue mechanisms. Through these processes, many key recommendations and initiatives have been developed. While some have gone through the government processes and were implemented over the years; others are in the pipeline or were not considered. An analysis on the status of these recommendations will be undertaken by the CIMC this year which I hope to present to Parliament when completed.

The key outcomes of the 2013 Development Forum and recommendations of the sectoral committees were compiled in a NEC Policy Submission, which I had tabled in a recent NEC meeting, and was subsequently endorsed by Cabinet. The Cabinet also accepted my request to make a Statement on the Floor of Parliament and table this Report.

The theme of the Development Forums was, "Revitalising the Districts of Papua New Guinea: Achieving active community participation for quality & sustainable public service in the districts". This theme was selected in line with the O'Neill/Dion Government's policy and budget priorities which focus on rural development. The aim of this was to raise awareness of these policy directions so that communities are prepared, responsive and to promote active community engagement in planning, management, implementation and oversight.

Promoting community participation is crucial to achieve inclusive sustainable development and provision of quality and efficient public services. The current over-arching policy focus, contained in the Vision 2050, PNG Development Strategic Plan 2030 and Medium Term Development Plan, clearly require active participation through dialogue and partnership to achieve their stated goals and objectives.

The CIMC is a vital process that facilitates such dialogue, providing citizens, and other stakeholders, including the private sector, the opportunity to express their aspirations and concerns and to enable government to listen and reflect on these priorities in public policy and implementation. It complements the government's efforts to find solutions to its development challenges. Though, the process is not perfect, it is helpful in bridging the gap where civil society and private sector dialogue is essential.

I take this time to thank those who have contributed to make the 2013 development forums a success. In particular, the co-funders - the Papua New Guinea Government through the Department of National Planning & Monitoring and the Australian Government through AusAID under the SPSN programme, the Governor of Sandaun Province, Hon. Amkat Mai for opening the Momase Development Forum in Vanimo and Hon. Joseph Lelang for closing the Papua Regional Development Forum in Popondetta on my behalf.

I also thank the speakers and chairpersons at all the forums, and all the participants from the community who voluntarily committed their time and thoughts to the forums and made their contribution to develop the final outcomes (See appendix 2: 2013 Annual Forum Recommendations endorsed by NEC). I further thank the Chairpersons and members of the various sectoral committees for their tireless efforts and invaluable contributions throughout the year to ensure that the CIMC process is vibrant.

Special acknowledgement to the media, who have played an invaluable role to bring the forums and other CIMC events to the whole country, through live broadcasts and other means. I finally thank the

local coordinators and facilitators, and importantly the CIMC Secretariat, supported by the Institute of National Affairs, for their tireless effort in enabling the process of consultation to occur in a timely and efficient manner.

At the political level, I stand to support what comes out of the CIMC process, including the 2013 outcomes and hope the bureaucracy equally incorporates these outcomes in their annual activity plans going forward in 2014 and beyond.

A handwritten signature in blue ink, appearing to read "Hon. Charles Abel", followed by a comma.

Hon. Charles Abel, MP

Chairman, CIMC and Minister for National Planning and Monitoring

Executive Summary

The aim of this Report is to communicate the main discussions and recommendations of the 2013 Consultative Implementation & Monitoring Council's (CIMC) Regional and National Development Forums and the nine (9) sectoral committees to Papua New Guinea's political and public sector leaders, policy makers and implementers at the national and sub-national levels, CIMC funders and supporters as well as stakeholders in civil society and private sector.

The CIMC is an independent body chaired by the Minister for National Planning. It was set up in 1998 by an NEC Decision, purposely to facilitate a broad-based policy dialogue between civil society, private sector and the government, and to ensure that recommendations made to government are implemented, such as those included in this report. The CIMC's annual operations are supported by the Government of Papua New Guinea through the Department of National Planning & Monitoring (DNPM) and the Australian Government through AusAID's Strongim Pipol Strongim Nesen (SPSN) Program. This includes funding the five regional and national development forums, the work of the sectoral committees and the publication of this Report.

This Report is presented in two (2) parts: Part one (1) contains summarized versions of all the papers presented by various speakers, including general questions and discussions from participants of the three (3) day National Development Forum. It also includes summaries of key outcomes from the four Regional Development Forums (RDF) held from March to May, 2013 in Mt Hagen, Kokopo, Vanimo and Popondetta. The RDFs engaged a total of 599 participants (excluding local facilitators, media personnel and CIMC staff) from all walks of life giving presentations, discussing and providing views relating to the forum theme. The National Development Forum (NDF) held from 26th–28th June at the National Parliament State Function Room in Port Moresby was attended by over 260 participants from all sectors of society.

The key outcomes expected include: enabling government to hear about the ideas, priorities, and concerns from stakeholders and the wider community; increasing knowledge of participants on key policies and plans to empower them to contribute more effectively in community development, and developing practical recommendations to be brought to the government's attention, through exchanging and sharing information and experiences on development challenges. However immediate valuable outcomes occur more informally, or indirectly (including from exposing individual community members to interact with government officials and development partners, which is not always possible under normal circumstances) occur as a result of these Development Forums.

Many participants expressed that the forums are a highly valuable process which enabled them to be informed with significant information on policy priorities, programmes and activities undertaken by government, as well as current or impending laws which would have significant impact on their lives, both at the national and sub-national levels. One common feedback received from participants is for such forums to be conducted in the districts and communities where this information is critically needed.

Among many outcomes generated from the discussions in the 2013 forums, below are some key recommendations proposed. Their detailed outcomes are in Appendix 2.

- ❑ Building and maintaining public infrastructure including water & sanitation, electricity, access roads, jetties and rural airstrips in the districts should be coordinated with other service

providers coupled with training on basic economic empowerment skills for communities so that districts can be growth centres. In addition, capacity building in the district offices is vital for realizing rural development and must be attended to as a matter of priority.

- ❑ Encourage local communities to participate actively in planning, management and implementation of community development activities, particularly performing oversight roles on public funds and providing them crucial budgetary and other information to empower them to perform this role effectively. Many participants have stressed that funds are not released from Waigani in a timely manner for provision of public goods and would like to see this improved so that planned projects and services are implemented within planned time frames.
- ❑ Management, coordination and wide dissemination of information or data is critical in all aspects of development and should be improved commencing at the community level which should then feed directly to a centrally managed database management system for informed policy decision making at all levels. Locally focused, rather than remote, coordination is the most effective for many activities.
- ❑ Information on all budgets, annual plans and priorities should be made available to the public, starting with Joint District Planning & Budget Priorities Committee (JDP&BPC) meeting minutes, annual plans, copies of warrants released, right through to schools and health centre budgets and accounts, and so on.

Part Two (2) of this report presents key recommendations and progress reports of the nine (9) sectoral committees and other programs which include; the Family & Sexual Violence Action Committee, Informal Economy Sector, Health, Population & HIV/AIDS, Education & Training, Law & Order, Transport & Infrastructure, Agriculture & Natural Resources, Budget Tracking, Commerce & Services Sectoral Committees, and Civil Society & Government Partnership Initiative.

We believe that this Report provides alternative options and strategies which can be useful to decision makers, researchers and others who are interested or engaged in development activities in PNG.



Wallis Yakam
Executive Officer
CIMC

Welcome Address and Purpose of Forum



Mrs Yakam welcomed and thanked all participants including the Deputy Prime Minister, Hon. Leo Dion, for coming to give the Keynote Address and the CIMC Chairman, Hon. Charles Abel, MP for Opening the Forum. She also thanked other senior officials of Government, executives of the private sector, the Diplomatic Corps, international development partners and citizens.

She acknowledged the support and commitment provided by the CIMC Chairman, Hon. Charles Abel for not only listening to the views that came through the CIMC process but also championing those views at the highest levels of government - the National Executive Council (NEC) and on the Floor of Parliament. She further thanked the O'Neill/Dion Government for endorsing the 2012 Development Forum outcomes and for instructing the respective government agencies to develop work plans to implement and report quarterly to the NEC on progress of implementation.

She emphasized that hosting annual Development Forums is the CIMC's key activity in contributing to achieving its primary role to facilitate wider discussions and debate on pressing issues affecting the development of the country. That is, it provides an avenue for citizens to express their ideas and concerns with a view to directly influence public policy formulation and implementation. "This opens up a two-way communication process between government, private sector and civil society". In particular, the forums provide opportunities for:

- Public education on important policies and plans to enhance wider public understanding
- Government to obtain feedback from the public to design or reconsider existing policies and programs, esp. to improve implementation of policies
- Getting authorities out in the open to explain their positions and the functions of the offices they manage

Key achievements of the CIMC were also highlighted including the establishment of the National Roads Authority, the introduction of the Medium Term Development Strategy, the passage of the Informal Sector Development and Control Act 2004, the development of the National Informal Economy Policy Framework 2011 – 2015, the establishment of the National Anti-Corruption Alliance or NACA, the National Security Industry Protection Act, the establishment of Family Support Centres in major hospitals throughout the country with assistance from development partners and investors and the National Department of Health, the amendments to the Proceeds of Crime Act 2006, the amendments to the Criminal Code and Evidence Act 2003 to give greater comfort to survivors of family and sexual violence in court, initiation of the NCD Urban Safety Initiative and the popular Campaign Strategy "YUMI Lukautim Mosbi", contributing to the introduction of the Pikinini and Family Protection Acts and the new Informal Economy Policy, to name a few.

Mrs Yakam highlighted that among the ongoing challenges encountered by the CIMC in maintaining this important dialogue process, the most important challenge was ensuring that government values the process and is responsive to the views and concerns channelled through it. She however expressed her gratefulness for the support and commitment shown by the CIMC Chairman and hoped that other milestones will be achieved with his support.

In concluding, Mrs Yakam summarized the theme of the 2013 Development Forums, the rationale behind choosing the theme, the purpose of the Development Forums and the compilation of a NEC Policy Submission entailing key recommendations emanating from the forums for the CIMC Chairman to bring before Cabinet for endorsement. She also added that the CIMC will compile a Report on the forums for the Chairman to make a Statement and table it on the floor of Parliament before the end of the year.

Opening Address

Hon. Charles Abel MP, Minister for National Planning & Monitoring and Chairman of the CIMC

Hon. Charles Abel, MP, CIMC Chairman and Minister for National Planning acknowledged Deputy Prime Minister, Hon. Leo Dion, MP, the executives of the private sector, members of the Diplomatic Corp, senior public servants, civil society, media, members of the public and commended the CIMC and INA staff who organised the important Forum. He also expressed his appreciation to the Speaker of Parliament who allowed the Forum to be held at the Parliament State Function Room.

He announced his continued support and commitment to the CIMC process as the Minister for National Planning and CIMC Chairman because he valued an open and consultative Government. He emphasised the importance of the Government ensuring that its lines of communication are open and must be subject to scrutiny and criticism and humble enough to acknowledge weaknesses and respond.

He thanked the various chairpersons of the CIMC Sectoral Committees and their respective members who volunteer their time regularly to get together to provide inputs into key policies and legislations that have been developed this year and in previous years.

He further expressed his appreciation to all who participated in the 2013 Regional Development Forums. He said the key CIMC outcomes in 2012 were endorsed by Cabinet last month (May) and were ready for him to table in Parliament when the Leader of Government Business gives him the OK to present.

Hon. Charles Abel suggested that future CIMC Reports containing the key recommendations should be improved from the 2012 version to ensure they are professionally summarised in a document designed to effectively communicate the recommendations to Ministers, Members of Parliament and other stakeholders.

He added that future CIMC key dialogue processes like the Council Meetings and the Development Forums should again coincide with the budgetary process which commences in June so as to hopefully contribute to that process. He commended the CIMC for doing that in 2013.

Overview and State of Play

He informed the forum participants on the progress of implementation of the O'Neill / Dion Government's activities in 2013, declared as the 'Year of Implementation', which involved reviewing of the budgetary process. The declared priorities of the current Government are: Infrastructure development, Health, Education, Law & Order, and Economic Growth in line with the Alotau Accord, Vision 2050 and the Strategic Development Plan (SDP) 2030. To effectively start the process, he informed that the Prime Minister had commenced annual leadership summits beginning this year with each government agency committing to three (3) annual priority activities.

He announced that the Department of National Planning & Monitoring (DNPM) is working on an all of the Government Activity Matrix encapsulating the long term plans, the Alotau Accord and a Monitoring & Evaluation Framework which would produce an annual scorecard against the SDP targets by sector in a booklet form. The activity matrix follows a logical progression of "PLAN – FINANCE – IMPLEMENT – MONITORING & REPORT" and tries to establish goal posts and a time line for each activity. This is to boost implementation oversight. He outlined the activities captured in the Activity Matrix as follows:

1. Revision of plans and establishing a Monitoring & Evaluation (M&E) Framework
2. Funding of the Plans and the Revision of the Budget Process

3. Procurement Process
4. National Priority Infrastructure Projects
5. Access to primary health and education
6. Modernisation of the Police Force, introduction of ICAC, and ongoing support of Taskforce Sweep
7. Land Mobilisation & Housing
8. Public Sector Reforms
9. Subnational Government Empowerment
10. SME Empowerment
11. PNG LNG & Sovereign Wealth Fund
12. State Owned Enterprises Reform
13. Policy & Legislative Schedule

Revision of Plans & establishing an M&E Framework

Reviews of overarching plans (SDP 2030 & Medium Term Development Plan 2015) are underway to reflect the Alotau Accord and to coincide with the political cycle and importantly to introduce aspects of strategic planning which is for sustainability and securing PNG's future economy. This is to look at investing in an economy, based on PNG's competitive strengths which are; an intact and diversified marine and natural environment and culture. The current Government is focussing on investing in green technology, carbon credits, geothermal, natural gas, land, biomedical research and tourism. Minister Abel stressed that in his view; the current plans are too generic and simply pursue an 'old economy' pathway. Therefore they are not strategic enough. Key issues, such as population, as drivers of development problems, must be addressed rather than just attacking the symptoms. Population growth must be sustainable.

He informed that key components of the review will look at existing structures of government and functions of all agencies with a view to returning them to their stated roles. For example, central agencies like DNPM, Finance & Treasury have a planning, coordinating and reporting function. A confusion of these roles has created dysfunctionality in service delivery, lack of reporting and accountability to plans and funds. He mentioned DNPM as a classic example.

He further announced that management of data and information is important to planning and a biometric electronic identification program is underway to improve data management. He also added that reporting had also commenced starting with the Tax Credit Schemes, the National Agriculture Development Plan and the Social Development Plan (NADP) or Church State Partnership Program which are ready to be tabled in Parliament.

Funding of Plans & Revision of the Budget Process

Hon Charles Abel advised that the current Government has promoted a longer term (five year) budget outlook and amended the fiscal guidelines to enable a fully funded investment program, involving going into budget deficit and give certainty to the process. This will be reflected in the 2014 Budget where an integrated budget will be developed merging the recurrent and development budgets. Budget submissions will be on sectoral basis with a sectoral coordinating agency against holistic sectoral plans. More money will be allocated to sub-national functions like police and nurse training, road and health centre maintenance etc, to close the recurrent budget gap, but not on central government expansion.

He pointed out that what was critical to making this a reality is the financing of the outlook, including the Budget deficits in 2013 & 2014, which is undertaken largely through domestic debt. He assured that the budget warranting process is on track and the 2013 indicators show positive GDP growth running ahead of projections. Inflation is being managed and foreign reserves are at record levels.

Procurement Process

The procurement processes is the third critical activity under the current government's microscope to improve service delivery systems. Important activities under this he informed were: the development

of the new Infrastructure Development Authority, an Independent Health Procurement Authority, and improvements to the Central Supply & Tenders Board. He also informed that the government is exploring other delivery modalities with development partners commencing with the DNPM reviewing the aid coordination strategy to make the aid program 'thicker', more visible and less Technical Assistance focussed. For example, AusAID has agreed to the new process and will deliver the Angau Hospital upgrade, the Lae – Madang Highway upgrade and the Magisterial Services Headquarters. JICA and the EU will also continue undertaking specific projects as requested by the Government. The Tax Credit Scheme is also being reviewed to expand it generally. Oil Search will refurbish Marea House, construction of the new National Court complex and the Port Moresby Rugby League Stadium.

He further informed that he is working with the churches to develop an alternative delivery model to re-engage with them. The government will support them for delivery of health and education services commencing 2014.

The Minister further announced that the Public Finances Management Act was amended to increase the financial ceilings of the Provincial Supply & Tenders Board (PSTB) and the corresponding section 32 officers to support subnational procurement. Provincial Works Units are also being revived to improve service delivery at subnational level.

National Priority Infrastructure Projects

He highlighted various major infrastructure projects that are underway including, the Lae – Nadzab Highway, Togoba – Kisenepoi section of the highway, Lae Port, Jacksons Airport expansion, Port Moresby General Hospital upgrade, Angau Hospital rehabilitation, Lae & Port Moresby roads upgrade, and the National Broadband Network.

Access to Primary Health & Education

This is led specifically by the initiative "fee free tuition" from elementary to Grade 12 and vocational school, and fee free outpatient access.

The Government is continuing its support on modernisation of the Police Force, introduction of ICAC, & Ongoing Support of Taskforce Sweep to ensure that corruption and misuse of public money is addressed.

Land Mobilisation & Housing

He announced that Cabinet has appointed a housing and lands ministerial committee chaired by himself to consolidate and fast track land mobilisation programs and address housing issues especially in urban areas. A number of meetings with the respective ministers of these portfolios were held to develop a strategy that will ensure land is made available to construct low and medium cost housing and the construction of thousands of houses through concessional funding. Qualifying citizens will purchase over a 25 year period or and longer, based partially on the Singapore model.

The Lands Department will be re-engaged to take the lead in fast tracking a fully-funded customary land mobilisation and reform program. The Minister informed that he and the Lands Minister launched the Corporate and Operational Plans of the Lands Department recently.

Public Sector Reforms & sub-national government empowerment

He said under public sector reforms, with new legislation are being developed which will increase the powers of provincial governments to improve accountability of public servants. Conditions of councillors, ward recorders, village court magistrates and peace officers will be improved in the 2014 budget. He also announced that the payroll clean up, and retrenchment of public servants are

included and more functions are being delegated to the provinces. The new budget process will encourage closing of the priority functional services funding gap and proper integration of provincial LLG budgeting so that 'development' funding such as DSIP and PSIP are used to fill these identified gaps in an integrated budget at the national level.

SME Empowerment

The Minister further informed that government through the Ministry of Commerce & Industry has made K80 million available through the National Development Bank (NDB) at 6.5% interest rate and established the NDB Microbank. A National SME Summit will be held soon to develop a way forward which will tie in other projects like the national content plan, institutional arrangements, and introduction and enforcement of a reserved list.

K3 million was allocated by the Government to undertake a review of the National Agriculture Development Plan (NADP) with a view to implementing it properly. There was evidence of significant abuse to this Plan demonstrating how public programs in general should not be applied. He emphasised that the sectoral approach in budgeting will deliver funding to the sub-sector programs commencing in 2014 and require the relevant coordinating agency like the Department of Agriculture & Livestock to return to a coordinating and monitoring role.

The Minister further announced that the Agriculture Minister is reviewing the effectiveness of the Commodity Boards in an initiative recently endorsed by Cabinet.

PNG LNG & Sovereign Wealth Fund Establishment

He informed that the PNG LNG is on track and legislation to establish the sovereign wealth fund is being reviewed. This legislation is crucial to ensure the prudent management of large projected (future) revenues learning from past experiences of mishandling and mismanagement of large windfalls.

State Owned Enterprises (SOE) Reform

He further highlighted that an overarching national policy is being developed for SOE reform in order to clearly demarcate roles and responsibilities of different players, such as, the role of IPBC versus the line Ministries where there is overlapping of functions, as well as to outline the extent of SOE's roles to compete with private companies and businesses. He updated on current investments that are underway which include; increasing capacity of POM power generation, Ramu hydro by JICA which is also funding the POM water and sewerage system, Telikom and Bemobile undergoing significant changes. Purari Hydro has been declared a priority long term project.

Minister Abel emphasised that the list here is not exhaustive but to highlight key activities that are undertaken by government to give meaning to the emphasis on IMPLEMENTATION. This matrix is being updated regularly but is currently not in the final form for me to present including the thirteen activities because the Department is still working on it.

In conclusion, Minister Abel pointed out that measures being taken by the Government now involve empowerment through legislation and regulations, delegation of authority and improving the conditions of ward level public servants which is in line with the forum theme today. It is now crucial for communities to be active in playing oversight roles when large sums of money are going to sub-national governments so that improved services are delivered. Communities now have to demand and access operational plans of the provinces, districts and LLGs and funds for development. He gave examples of how he is facilitating this in his own Alotau District by regularly posting information on a public Facebook page that is related to numerous community impact projects he has delivered and are owned by local groups for sustainability.

Keynote Address

Updates of achieving 2013 as the ‘Year of Implementation’



Deputy Prime Minister, Hon. Leo Dion, MP

Hon. Leo Dion acknowledged participants of the Forum and announced the commitment of the current O’Neill/Dion Government in empowering the provinces and the local level governments (LLGs) as institutions to drive the government’s Service Delivery Improvement Agenda. He said the government has confidence in the LLGs and has allocated K0.5 million each starting this year for them to initiate impact projects at that level.

In making this decision to empower LLGs, “we are mindful and appreciate that we must have 100 percent commitment and dedication from the human resources at all levels so that, however little the funding may be, it must be applied transparently towards projects and interventions that can achieve tangible results in the communities they serve”. He said, although the focus is on provincial and LLGs, the individual critical drivers of service delivery are the Provincial Administrators, District Administrators and LLG Managers.

He emphasized that the 2013 Budget is rural based and is the people’s budget. It was framed to realize the current Government’s declaration for 2013 as the ‘Year of Implementation’.

He further emphasized that hosting forums like this cost money and time, especially drawing key personnel away from their main functions of service delivery; therefore, coming together in this forum must be seen as a government investment in improving service delivery. At the end, the government must get the best value for money in return.

The Deputy Prime Minister said he was concerned for the lack of service delivery in the country for a long time and when he took the post of Minister for Intergovernmental Relations, his focus was to revisit the Organic Law on Provincial & Local Level Governments in order to improve and strengthen its intentions. He announced that the NEC had endorsed a submission last month to undertake a major review of the Law and he will announce the details of the exercise as soon as required arrangements are completed. The review will be undertaken by the Constitutional Law Reform Commission (CLRC).

Hon. Leo Dion commended the CIMC for providing yet again “as the door step” opportunity for the people in the provinces and districts to engage directly with government representatives. The Development Forums are very important as they provide unique and home-grown opportunities for government, private sector, and civil society including churches to collaborate, interface, discuss and reach consensus on key issues for national development. He stressed, “this is a platform many stakeholders in the communities come to value to ensure that their voices and concerns are heard. Therefore the key outcomes of these forums are reflections of these efforts, which are expected to be considered by government to improve service delivery”.

He announced that efforts of participants in the forums are noticed by the government and since taking office the current government made a deliberate commitment that this forum will be the medium for the government to gauge wider stakeholder views, not only on government policies but also in guiding the formulation of annual budgets.

Hence, the government is ready to accept and endorse recommendations that will come out of this forum.

To that effect, Hon. Leo Dion informed that the government had endorsed the 2012 Development Forum Recommendations on the 8th May 2013. He further assured forum participants that he will give CIMC Chairman, Hon. Charles Abel his vote of confidence and support when he delivers his

Ministerial Statement when tabling the 2012 Development Forum Report on the Floor of Parliament. On behalf of the Prime Minister, he expressed his appreciation for Hon. Charles Abel to recognize this important dialogue process and provide the kind of support and commitment it needs to champion its work at the highest level of government.

He concluded by stressing the need for encouraging community participation which is crucial for bringing our citizens out of the total dependency on government mindset and out of poverty. He challenged the provincial, district and LLG administrations to develop workable and practical strategies to instil greater community participation in the development process. Economic empowerment of our rural communities must be a prerequisite for greater community involvement and participation. In other words, the Deputy Prime Minister emphasized, “we cannot expect the communities to participate in development unless they are empowered economically”.

INDEPENDENT PERSPECTIVE - PRACTICAL STATEMENT ON CAPACITY OF THE PUBLIC SECTOR TO REFORM AND ACHIEVE QUALITY SERVICE AT THE DISTRICT LEVEL

Mr Ernie Gangloff, President Business Council of Papua New Guinea



Mr Ernie Gangloff presented the private sector perspective on what is needed to reform the public service machinery to be more responsive to the needs of citizens and improve service delivery. On the outset, he highlighted that PNG is not prepared for implementation as there was no capacity in the districts and LLGs therefore, 2013 should be declared as ‘Year of Preparation’ and perhaps 2014 could be ‘Year of Implementation’.

His presentation was focused on effective application of roles and responsibilities, recruitment, planning, budgeting, procurement, implementation, monitoring and reporting as the key elements to strengthening the public service and encouraged participants especially community and district representatives to understand these principles so that they are on the same wave length with Waigani. One strategy he proposed was to develop ‘Report Cards’ to check on each districts as to whether they have the resources, and other key elements above are in place to ensure effective public finance management which then facilitates improved service delivery.

He challenged the participants as to how the words of the Deputy Prime Minister and the CIMC Chairman can be translated effectively at the local level, especially how citizens can be empowered to participate actively in economic development. He emphasized the existing Public Finance Management Act, staff recruitment at the district level, and providing effective financial oversight by the department of finance as some of the underlying principles to getting public finance management effective.

However, he stressed that challenges encountered by each of the districts around the country are different and therefore, it is important to note that strategies developed must consider those different circumstances as not a “one size fits all”. He also stressed that the District Strategic Plans should not be based on Parliament’s life span as they are not sustainable but to have those plans to be long term so that there is continuity.

He explained that by using the Report Card System, the underlying principles can be assessed at the district level for effective service delivery. For instance:

1. Recruitment

An organizational chart is required to assess whether the required number of staff are available to achieve the goals. Each position is to be supported by a duty statement and Key Performance Indicators. A request for funding should be made to the Department of Treasury. A training needs analysis is required for new and existing positions, and office space and other assets are required to accommodate the additional employees. He encouraged the districts to assess their capacity gaps and demand for the Department of Personnel Management (DPM) to support with justifications.

He highlighted that if Waigani is serious about empowering communities, then it should ensure that districts have the required staff and necessary resources for them to implement impact projects and successfully achieve key government policy goals and objectives.

2. *Planning*

In planning, Mr Gangloff explained that an Annual Activity Plan (“AAP”) must be developed and should represent approved activities planned for 2013. The AAP should be reconciled against the annual appropriation. The management then should review the AAP on a regular basis, and finally the AAP should be amended to reflect the changing priorities both at national and district levels. In the longer term, he encouraged districts and LLGs to develop district and LLG development plans which should not be based on the life span of government’s life cycle. Parliaments come and go every five years therefore these plans need to be long term.

3. *Budgeting*

Mr Gangloff emphasized the importance of budgeting; particularly costing the activities based on the approved annual plans and scheduling them monthly. He stressed that seeking financial support to execute activities that are unplanned as they come up is poor planning and budgeting. There must be monthly, quarterly and periodic review of the activity plans and budgets to reflect changes in District priorities and financial delegation must be given to program managers based on approved activities.

4. *Procurement*

Mr Gangloff stressed that it is crucial to develop the district’s procurement register. Current procurement processes are cumbersome and complex and are not transparent. Therefore, Tender Committees and Project Management Teams should be established at the district level to facilitate procurement, and program managers at the district level should be given the authority as section 32 officers. This is empowering the communities to participate effectively in development.

5. *Implementation*

Mr Gangloff highlighted that in implementation, it is important to develop project timetables and to recruit a Program Manager who will be responsible for ensuring that implementation of particular projects are fulfilled effectively. The Program Manager is not necessarily from the public service. It is a matter of exploring what is working at the district level. For instance, good resource persons may be found in the local church or a community based non-government organization. They can be engaged to manage and implement the programs or projects and the district administration could play a monitoring role and the implementer reports back to the district. It is important to document such arrangements so that the government understands and recognize those partnerships.

6. *Monitoring and Reporting*

Finally, Mr Gangloff highlighted a number of key tools or basic processes that are important for effective monitoring and reporting back on execution of development projects. These include; Monthly Executive Meetings, Audit Committees and Internal Audits, Quarterly Statement of Receipts and Payments (“SORAP”), Auditor General’s office, and Stakeholder reports.

In conclusion, he stressed on the importance of having open communication with Waigani and other key stakeholders to bring to their attention the needs to successfully implement projects and that if assistance is needed, districts must recognize that systems and government institutions are available to assist. He encouraged districts to communicate those needs to the relevant departments like the Personnel Management, Finance and Treasury, National Planning, the Auditor General and others. He further stressed that identifying partners and working together enhances effective service delivery. Resources are not always from the public service, and it is a matter of exploring what is available at the local level, eg. local church groups or NGOs and utilize them. He encouraged districts to develop report cards by knowing the systems and rules to manage and implement projects successfully.

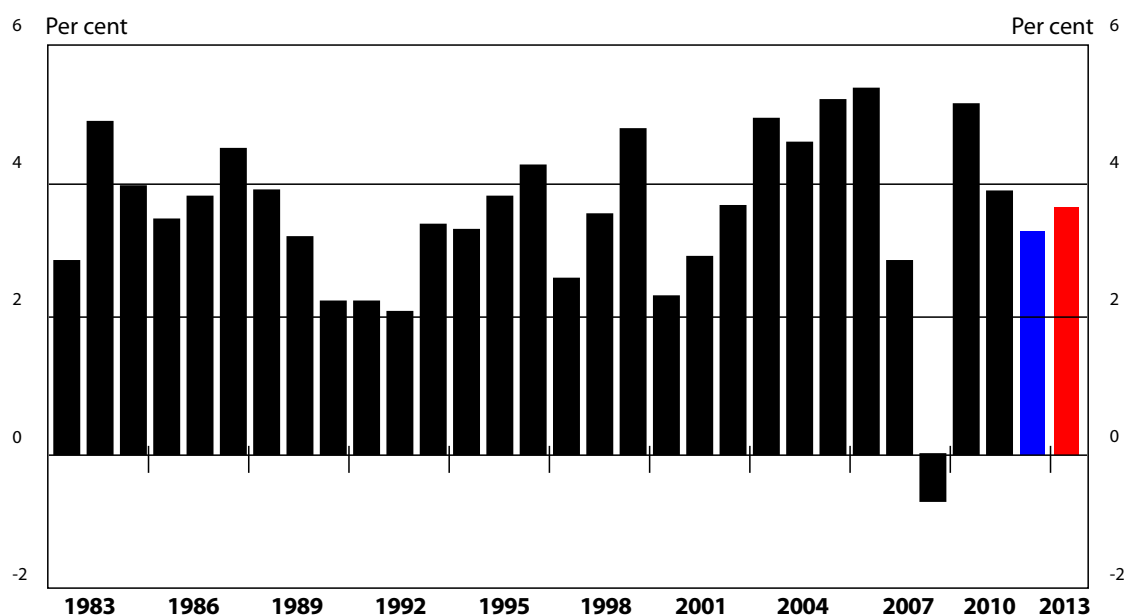
Sub- Theme 1: Conducive Environment for achieving objectives of 2013 budget & promoting inclusive development

OVERVIEW AND PROGRESS ON IMPLEMENTATION OF THE 2013 BUDGET

Mr Manu Momo, First Assistant Secretary, Policy, Department of Treasury on behalf of Mr Simon Tosali, Secretary, Department of Treasury.

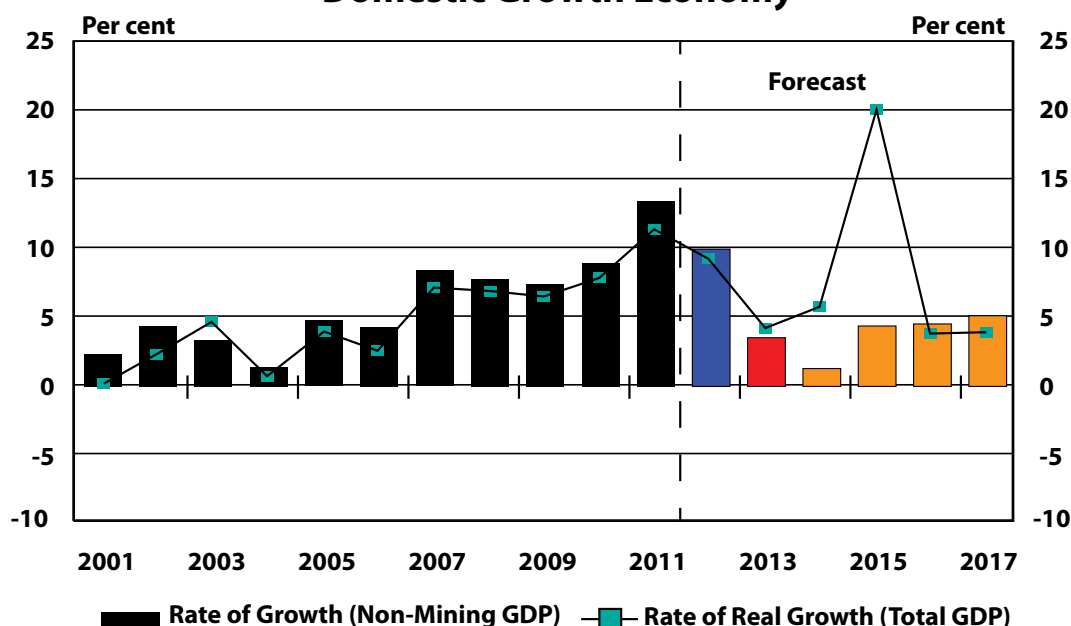
The global recovery in 2012 has experienced new setbacks and uncertainty weighs down on the global economic outlook, however modest reacceleration of activity is expected in 2013.

World Economy



Growth of the PNG economy is expected to remain positive, growing by 4 per cent in 2013 (8.9% nominal terms). The moderation from 2012 reflects winding down of LNG construction activities.

Domestic Growth Economy



The PNG economy is expected to maintain a positive growth over the next five years as shown above owing to the LNG coming on stream and increase in construction activities.

2013 Budget Strategy

The 2013 Budget was framed to deliver the Government's Alotau Accord priorities within the context of a prudent and responsible fiscal framework. This budget also supports and maintains the current economic growth, promotes macroeconomic stability and addresses significant development needs of the country by moving to a steady and predictable increase in development funding within a multi-year budget framework.

The 2013 Budget's Key Focus Areas include:

- ☐ Historic shift in responsibilities to the Provinces, Districts and Local Level Government
- ☐ Accelerating development through high priority infrastructure programs, such as complete funding for the Highlands Highway
- ☐ Major increases in the share of the budget to Health, Education, Infrastructure and Law & Order;
- ☐ Emphasis on effective implementation and accountability
- ☐ Stop leakages/eliminate wastages – eradicate corruption
- ☐ Multiyear budget/forward estimates, and introduce greater certainty to allow for major announcements up-front in the Budget

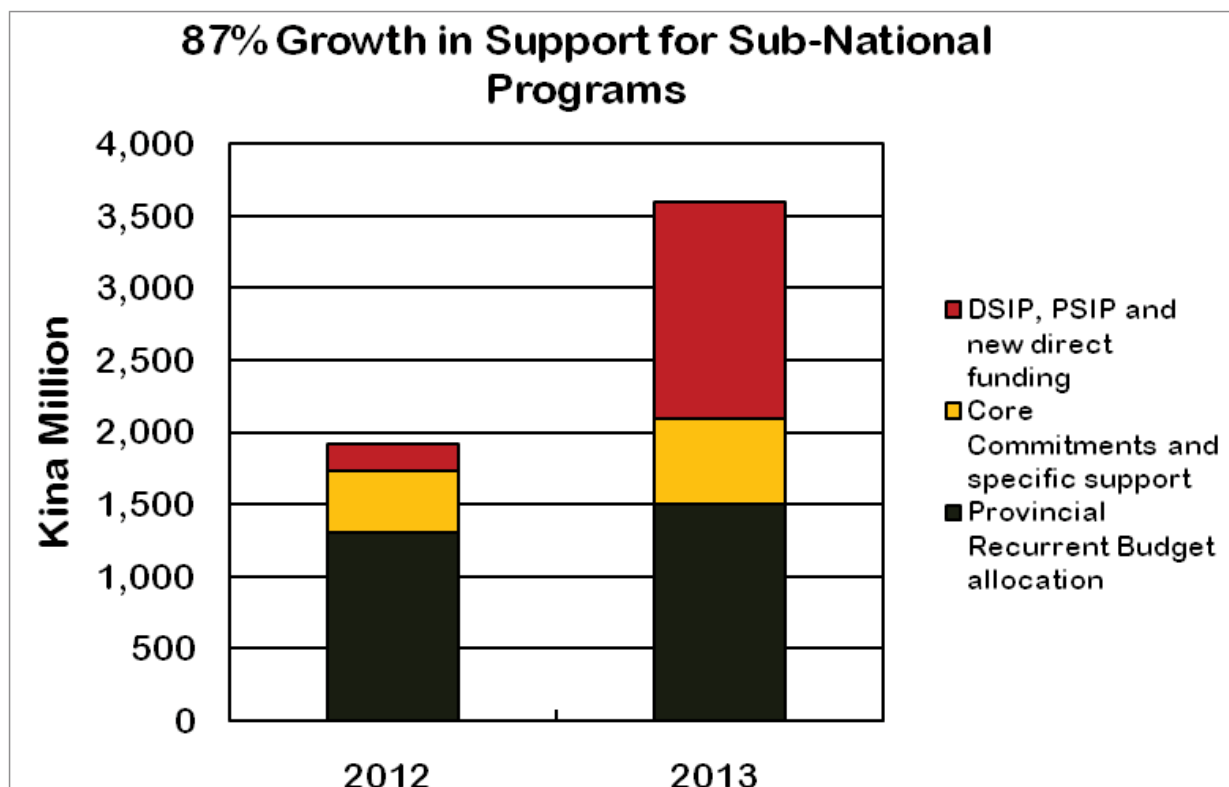
Funding Key Medium Term Development Plan (MTDP). 64 per cent of the 2013 budget was allocated to the MTDP enablers (shown below), which had increased from 54 per cent in 2012.

Funding Key MTDP Enablers 64% of GoPNG Budget goes to MTDP Enablers in 2013, up from 54% in 2012

	2012 % Share	2012	2013	2014	2015	2016	2017	2017 % Share
Education	17.8%	1,631	2,300	2,352	2,519	2,723	2,910	20.2%
Health	8.9%	818	1,344	1,292	1,430	1,598	1,729	20.2%
Infrastructure	16.6%	1,521	2,580	2,967	3,223	3,391	3,751	20.2%
Law and Order	10.9%	1,000	1,079	1,163	1,243	1,362	1,454	20.2%
Land	0.6%	57	281	282	290	296	299	20.2%
MTDP enablers	54.8%	5,026	7,584	8,057	8,704	9,370	10,142	20.2%
Non-MTDP enablers	40.2%	3,683	3,565	3,513	3,324	3,222	3,054	20.2%
Interest	5.0%	460	671	881	1,052	1,142	1,224	20.2%
Total GoPNG	100.0%	9,170	11,820	12,451	13,080	13,734	14,421	20.2%

National Government Transfers to Provinces; Districts & LLGs (excludes new direct funding of K1,492 million and development funding)

Provincial allocations have increased significantly through the PSSIP & LLGSIP programs complimenting the existing DSIP. Hela and Jiwaka provinces have received recurrent funding for the first time in 2013. In addition to the PSIP and DSIP, they will receive supplementary funding of K30 million each for infrastructure development for two years. The Graph below shows these various sub-national support programs for economic development.



Government Debt

The Treasury reported that government debt is expected to increase by 74 per cent by 2017. The majority of the increase will occur in 2013 and 2014. That is, the debt to GDP will peak at 34.6 per cent in 2014 and then falls to 25.5 per cent of GDP by 2017. This is due to growth in GDP whilst new debt issuance slows from 2015. Amendments to the 30 per cent debt to GDP limit contained in the Fiscal Responsibility Act 2006 are required to allow for this temporary increase in debt.

PNG's Financing Strategy

2013 & 14 comprise a significant financing task in the Budget (2013 gross issuance is 47 per cent more than 2012). New issuance methods and products are required to manage the financing task. The strategy for this new borrowing is to diversify the funding base to manage risks; use concessional loan funding where available; and harness the power of domestic savings (incl. Superannuation) to build PNG's financing market and to minimise exchange rate risk.

Key Fiscal Reforms

The main fiscal reforms that are being worked on at present include;

- ☐ Multi-year Budgeting - Shows an estimate of expected Government expenditure, including by agency for four years in the future
- ☐ Adopting the 2001 Government Financial Statistics (GFS) - This is more modern accounting system for Government finances which will replace the current 1986 GFS
- ☐ Integration of the Recurrent and Development Budget - Combining these two budgets will allow greater Government control over its expenditure

Risks to Economic and Fiscal Outlook

Treasury identified a number of risks to the economic and fiscal outlook presented above. These potential risks include;

- ☐ Potential disruption to global economic recovery would impact PNG's trade and government revenue
- ☐ Volatility in commodity prices, revenue collections could be lower if they fall sharply

- ☐ Expenditure pressures and loss of fiscal discipline would lead to high inflationary pressures
- ☐ Weak governance capacity at sub-national level
- ☐ Disruptions to the progress of PNG LNG project construction and existing agricultural, mining and petroleum production,
- ☐ Inability to raise enough money quickly to finance the budget deficit

Conclusion

In summary, the Treasury re-emphasised that the 2013 budget had an increase by 23 per cent (a total budget of K13,030.8 million) from 2012. It predicted that a deficit budget of K2,548.9 million will be produced in 2013 or 7.2 per cent of GDP, and an increased development and capital funding to high priority programs in MTDP enabling areas. It also stressed that there is also an increased service delivery funding to support MTDP enablers and meet government obligations, and increased funding support to provinces, districts and LLGs through PSSIP, DSIP & LLGSIP.

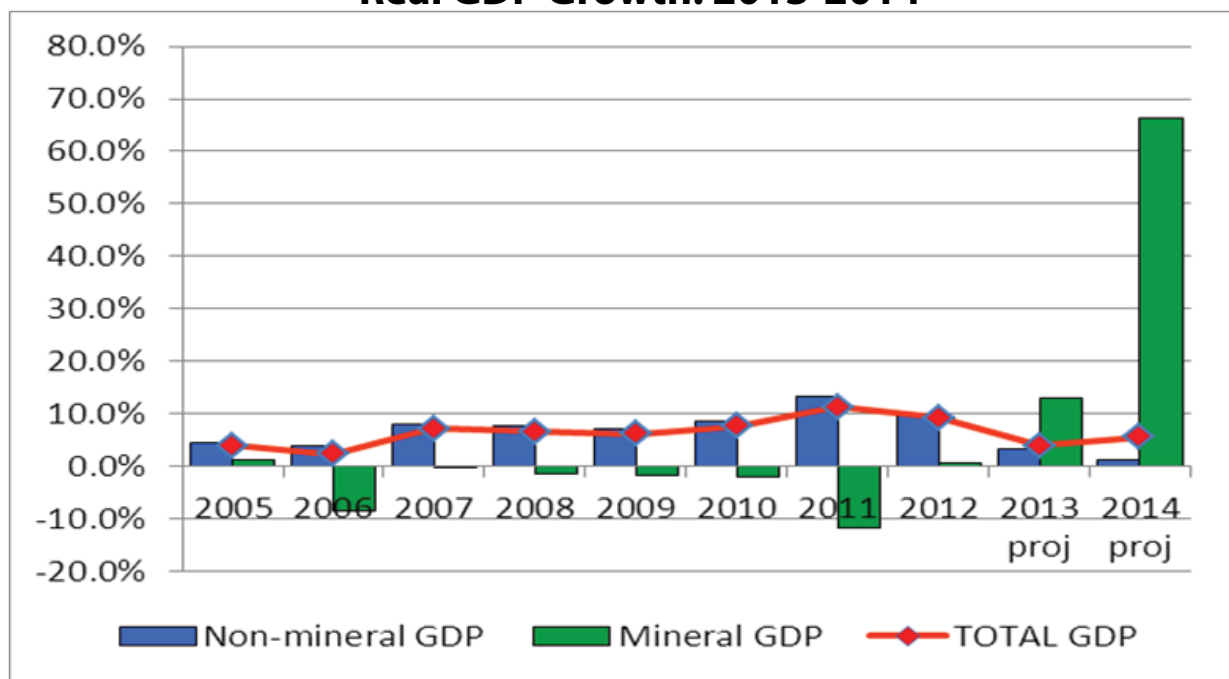
It updated that in implementing the 2013 budget, total warrants released for Recurrent is 64 per cent and development is 50 per cent. Total warrants released against budget as at end May is 61 per cent.

ECONOMIC OUTLOOK FOR 2013 & 2014 AND ITS IMPLICATIONS ON PROVISION OF QUALITY SERVICES IN THE DISTRICTS

Dr Gae Kauzi, Assistant Governor, Research and Policy, Bank of Papua New Guinea on behalf of Mr Loi Bakani, Governor, Bank of Papua New Guinea

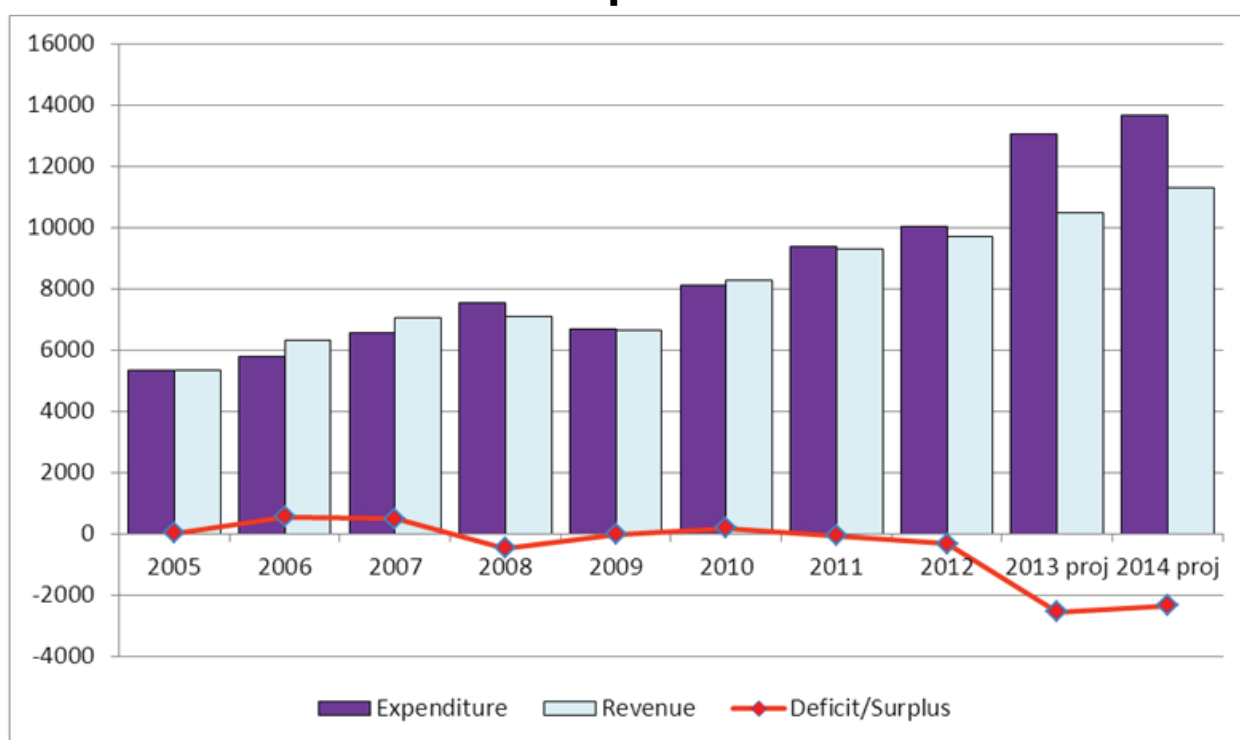
Dr Kauzi highlighted that PNG is enjoying the longest track of economic growth in its history and 2013 will be the 12th consecutive year that the economy would record economic growth, which is unprecedented. This economic growth is broad based and is not primarily driven by the extractive industry as it has been traditionally the case in PNG for many years. Since 2003, the economic growth has been largely driven by high commodity prices until recently. The emergence of the LNG project has been one of the biggest factors in driving growth in the country. Commodity prices are expected to slow down from 2014 due largely to the slow down in economic activity in major economies such as the US but demand from emerging economies such as Brazil, India, Russia and China will ensure that its effect are not severe. Nevertheless, commodity prices will drop but will still be high historically.

Real GDP Growth: 2013-2014



The LNG project in its construction phase has largely benefitted businesses who have been supplying inputs in the form of catering and hotel industry. The level of growth in 2013 and 2014 will depend on the efficiency and effectiveness of the implementation of 2013 and 2014 national budget. To achieve high growth, the government has to concentrate on infrastructure development and the bank continues to stress that there should be high investment in advancing agriculture technology. The bank projects real GDP growth to be in the range of 5-6 per cent through to the end of 2014. But it can be higher if there is effective spending by the government as per the budget and there is no divergence from the budget.

Fiscal Operations



The graph above indicates PNG's financial performances which shows the deficit budget commencing 2013 and will continue on to 2014.

PNG's financial sector is very sound as indicated by the significant increase in total financial assets between 1999 to current. Non-performing loans have dramatically declined since the early 1990s. The positive outcome in terms of consecutive economic growth, price stability and sound financial sector can be translated at the micro level through avoiding competition between the government and private sector or limited production resources and capacities during the construction phase of the LNG project. Why? Because if there is competition, there are limited number of companies operating in PNG who can build and when competing they can quote high prices.

It was also noted that increase in consumption of imports and overseas travels can put a downward pressure on the exchange rate. On the flip side, the rise in exports will increase our foreign reserve and subsequently, put pressure on the exchange rate to appreciate against other major currencies, resulting in exports becoming expensive which will affect our export level. This situation is referred to as the "Dutch Disease".

The Bank is working with key stakeholders including INA and CIMC to drive the idea of financial inclusion in the country. Financial inclusion is the idea to allow people to have access to financial products and services. These people have previously been excluded due to the high fees of operating an account and minimum requirement of opening up bank accounts among a host of deterrents. BPNG

plans to bridge this gap through the establishment of microfinance and such means like electronic or mobile phone banking. The Bank is also reforming the payment system in the country through ensuring that payments are conducted efficiently.

Macroeconomic stability is very important but people need to benefit from it, otherwise it becomes useless. Macroeconomic growth is important for business and general wellbeing of the economy but it is not the sufficient condition to improve the general wellbeing of the people. Therefore, macroeconomic stability needs to be supported by a prudent fiscal policy that ensures government spending is undertaken within the budget framework. This effectively calls for government to promote good governance in managing the budget and its priorities. There is also a need to connect the government agencies who deal with macro-economic issues such as the BPNG and the Department of Treasury with agents of microeconomics to ensure that benefits from macro-economic trickle down to the people.

Key recommendations proposed by the Central Bank include:

- That the government transfer the skilled manpower, machines and equipment by having the required infrastructures and projects in the country built by local contractors using machinery and equipment that would have been left idle after the LNG construction phase ends. The project should be financed through domestic borrowing due to the high liquidity level in the banking system
- That the government should finance the budget deficit through domestic financing without crowding out the private sector from the credit market
- The government to invest in the agriculture sector to effectively counter-attack the Dutch Disease so that it will cushion the general rise in the prices of goods and services and ensure that the agriculture sector becomes resilient (through meeting domestic demand) to withstand any slowdown in demand on the international market due to appreciation of the Kina
- Government to prioritise improvement and building of necessary infrastructure to allow access to the markets

Principles of Good Governance must be observed in managing the budget and its priorities and that macroeconomic institutions like Bank of PNG and the treasury must collaborate and work together with microeconomic institutions to ensure benefits are channelled to citizens effectively.

PROGRESS ON ALIGNING PROVINCIAL, DISTRICT & LLG WARD PLANS TO THE ALOTAU ACCORD & THE 2013 BUDGET FOR INCLUSIVE RURAL DEVELOPMENT

Mr Joe Kapa, Deputy Secretary, Department of National Planning & Monitoring

The Alotau Accord highlights 78 Government Priorities specified to each subsequent Ministry. The strategies to implement the Alotau Accord include:

- Legislative Program - Review of relevant legislations
- Review of Medium Term Development Plan (MTDP) 2010-2015; and
- More focus on the Priority Impact Projects such as education, health care, infrastructure, fighting corruption, LNG projects, law & order, public sector reform and Public Private Partnership (PPP) policies

Alignment with PNGDSP & MTDP

The items in the Alotau Accord are aligned with the PNGDSP and current MTDP. They emphasize the key enablers of education, health, law and order, ICT and infrastructure. Infrastructure is one of the key priority areas to pave way for increased economic activities. In particular;

- In MTDP, 16 national roads will be rehabilitated and upgraded
- In the 2013 budget the government has allocated funding for the Highlands Highway and NCD roads amongst others
- National port facilities and national airports rehabilitated and upgraded to international safety standards

Implementation of Alotau Accord

One of the 78 key priorities of the Alotau Accord is to review the current MTDP 2011-2015. The purpose of this review is to:

- Assess the progress on the achievements of MTDP 2011-2015 outcome and output targets to date;
- bring to the forefront agenda/program for action as per Alotau Accord; and
- Guide sectoral and sub-national 5-year Action Plans to prioritise Key Impact Projects over the next 5-years as per the Alotau Accord

Recent shifts in the political landscape have also brought the need for sustainable development policies and priorities. Therefore, the process will review whether we are achieving sustainable development goals in the country.

Integration of Budget Cycle and Alotau Accord

The government is looking at creating a development budget framework which will focus on a multi-year budgeting approach from the old annual budget cycle. This will shift the focus from national levels to sub-national levels beginning in 2013 national budget, and one integrated budget beginning in 2014 with the merging of recurrent and development budget.

Most of the priorities in the Alotau Accord have financial implications and some have been committed in the 2013 Budget. Therefore the development budget component will be allocated to MTDP key enablers and Alotau Accord priorities. For example, key National impact projects such as education (Free subsidy to Year 12); health (Free health-care), transport infrastructure (maintenance of major highways), and utilities (Rural electrification program). Others include the SME stimulus package and PPP initiatives.

Allocation of the 2013 Budgets to implementing the MTDP 2011-2015

Of the 78 key priorities/commitments in the Alotau Accord, most of them address the 7 key enablers in MTDP 2011-2015. MTDP is a policy while the 78 Alotau Accord priorities are commitments for implementation in the 2013 budget and into the future.

Hence, priorities are already aligned or incorporated as shown in the budget below.

	GoPNG	Tax Credit	Grants	Loans	Total
All Values in	2013	2013	2013	2013	
Land Development	14	-	-	-	14
Law, Order and Justice	196	-	78	-	274
Transport and other key infrastructure	1,745	130	208	377	2,460
Primary and Secondary Education	216	-	224	16	456
Technical, Higher Education and Training	164	-	55	4	223
Utilities	245	-	9	87	341
Improving Health Outcomes	467	-	166	46	679
Sustainable Development	254	-	98	111	464
Non-MTDP	507	-	375	4	886
TOTAL	3,810	130	1,211	644	5,796

	2013	% of Total Budget
Land Development	14	0.2%
Law, Order and Justice	274	4.7%
Transport and other key infrastructure	2,460	42.4%
Primary and Secondary Education	456	7.9%
Technical, Higher Education and Training	223	3.8%
Utilities	341	5.9%
Improving Health Outcomes	679	11.7%
Sustainable Development	464	8.0%
Non-MTDP	886	15.3%
TOTAL	5,796	100.0%

Focus of Department of National Planning & Monitoring for 2013 Fiscal Year

- ☐ Oversee, coordinate and monitor the effective implementation of the 2013 PIP: Whole of Government Monitoring Framework
- ☐ Ensure compliance with National Plans and Policies
- ☐ Ensure Department of Implementation and Rural Development (DIRD) manages the disbursements, utilization and accountability of rural development grants and
- ☐ In partnership with DIRD, monitor and report on the usage and impact of rural development grants
- ☐ Provide support for districts and provinces to formulate their 5 year development plans
- ☐ Explore modalities for effective service delivery

Sub - Theme: 2: Strengthening Districts and Local Level Governments Systems to promote Accountability and Transparency

Dame Carol Kidu in her introduction as the Chairperson said, it was wonderful to be back with CIMC because she was actively involved with the Informal Economy Committee and other committees in the past.

ENSURING EFFECTIVE PUBLIC ACCOUNTABILITY SYSTEMS & PROCESSES TO ACHIEVE CURRENT GOVERNMENT'S FOCUS AND CHALLENGES

Mr Philip Nauga, Auditor General, Auditor General's Office (AGO)

Mr Philip Nauga gave a brief overview of the functions of the Auditor General and said that the government makes policies and agencies are tasked to implement those policies. The Auditor General comes in to ensure these policies are being implemented and assess whether they have achieved results according to policy intentions.

He said one of the policies that brought us together is empowering people and one way the government has decided to achieve this is by allocating funds to the provinces, districts and local level governments (LLGs).

Mr Nauga reminded participants that everyone has a duty to add value. In order to have value, "we must know what we are supposed to do first and then compare that with what we are actually doing". He stressed that the report card as raised by one participant is a way of establishing the gaps between what you are supposed to do and what you are doing based on policies, processes and guidelines that have been set up. The Auditor General's Office (AGO) should be seen as one to help people to add value to the delivery process in the provinces, districts and LLGs.

He highlighted a number of barriers to good financial management which include: shortage of skilled staff, poor training, ineffective recruitment processes, lack of understanding of the importance of good financial management, lack of strong leadership, general lack of need to improve, lack of financial infrastructure, deficiencies in financial data and others.

Mr Nauga reiterated that the AGO would like to see strong financial management and governance in PNG especially promoting accountability. To achieve this, the onus is on all of us to disclose our decisions and actions. There should be stewardship when we exercise powers on behalf of the nation it should be in conformity with the duties we have as heads of departments, statutory agencies, provincial administrators, provincial treasurers, district administrators and district treasurers. We are there as leaders and must be seen to exercise those responsibilities according to integrity, transparency and efficiency.

Types of audit work

The Auditors role is to undertake audits of all activities that are financial in nature. Compliance audits basically look at how the agencies comply with the rules, regulations and laws of our country. Mr Nauga said they not only reported audit work which is their mandate, but the Audit Act gives them prosecution powers to be exercised for prosecution. This has to be done because we do not see

improvement in our accountability and governance practices in the country. By taking up one or two cases, we may send signals to everybody from the top to the Local Level Governments that if they abuse or misuse government funds they are likely to be caught and prosecuted.

A common issue that leads to misappropriation and fraud is poor internal controls. When government agencies fail to produce financial statements, the auditors issue a disclaimer which means they were unable to rely on the information provided. Some major causes found are: management failure to prudent work measures and responsibilities for transparent and compliance spending, considerable abuse and diversion of government funds, reduction of incentive for efficient management of funding, lack of experience and competency, and lack of coordination and communication.

Strategies developed to address those issues

He stated that like other cooperate bodies, the AGO must get “Value for Money” through performance audits. In that the auditors look at Effectiveness, Efficiency and Economics in their audits.

Effectiveness – systems and process to achieve objectives- help you to achieve your objectives

Efficiencies– Getting the best out from your available resources

Economy – Keeping cost low or minimizing cost and maximizing output.

Mr Nauga mentioned that a new division is now established within the Auditor General’s office, focusing on Church Health Service, IFMS (to replace PGAS), and effective management of trust accounts in PNG. Other duties to be undertaken relate to provincial programs that government is running and implementing through various agencies.

He said the Auditor General’s office has expanded its activities to audit Church Health Services that help run health services on behalf of the government. We hope this provides an indication as to whether programs that are run in partnership with NGOs are an appropriate way of delivering government services.

The Auditor General’s Office believes that they can add value to people by looking at government programs/projects or by undertaking Value for Money audits in the provinces and districts. For example: Audits of DSIP started in 2007, 2008 and others came in 2013, PSIP and LLGSIP. Provinces audited so far are not good. He said the office had not done a good job on DSIP with funding constraint and have requested for an increase of K1.4 million in the 2014 budget.

Mr Nauga concluded by posing a question to the provincial and district administrators that, if they were not able to handle small level of funding (DSIP), how would they handle funding that was tripled? He emphasised also that the systems are good but the people within the systems have caused the results we have achieved. If people in the system are dedicated and passionate about making them work, we can be able to deliver quality services, but if the people are not, no matter how good the system is, we will never get there.

Questions & Discussions from the Floor

Mr Peter Tonu, President, Madang Youth Council: Can you prosecute provincial governments that are misappropriating money? When you prolong situations like this, they will continue. This year the government's priority is 'Going Rural'. Can you take effective measures to prosecute provincial governments for misappropriating money?

Dame Carol: Make sure to have the community support behind such requests because constitutional officers and departmental heads are under enormous political pressure. The community must back up what they are asking.

Mr Philip Nauga: Some of these things can be avoided if we substitute the things we have talked about. At the moment we are recruiting a Legal Officer, and have already started with one provincial government (name not mentioned) and in the process of putting their files together. This will send a message to Provincial Governments, District Administrators and Treasurers who are indulging in fraudulent activities using public funds. We have also created a division dedicated to fraud investigations. They have brought on board experienced lawyers and officers who are ready to prosecute one or two cases.

SOCIAL AUDITING TO ENCOURAGE INCLUSIVE DEVELOPMENT

Mrs Elizabeth Avaisa, Senior Project Officer of CIMC

Mrs Elizabeth Avaisa made her presentation in two parts. Part one was about the Open Budget Survey that measures the State Budget Transparency, Participation, and Oversight in countries around the world including PNG since 2006. The research is undertaken by Institute of National Affairs (INA). Part two was about what CIMC has been doing in promoting expenditure tracking or budget monitoring activities in PNG.

Budget Transparency

Mrs Avaisa explained that budget transparency is where a government makes information on budget performance open to the public, particularly on the government's past, present and future fiscal activities, and about the structures/functions that determine fiscal policies and outcomes (*IMF's Code of Good Practices of Fiscal Transparency- revised 2007*).

She gave a summary background of International Budget Partnership Survey which is carried out every two years, to examine the extend of effective oversight provided by legislatures and supreme audit institutions (SAI) as well as the opportunities available for the public to participate in national budget decision making processes. The survey entails responses to 100 plus questions on the transparency of the budget process, particularly whether the Government produces and disseminates **Eight (8) Key Budget Documents** as required by international best practice. These documents are: Pre-Budget Statement, Executive Budget Proposal, Enacted Budget, Citizen's Budget, In Year Reports, Mid-Year Reports, Year-End Reports and Audit Report.

The Open Budget Survey results for PNG:(refer to appendix 3)

Budget Year	Assessed	Score
2005	2006	52/100
2007	2008	61/100
2009	2010	57/100
2011	2012	56/100

The above scores indicate that the government provides the public with some information on the government's budget and financial activities assessed by the survey. However, the absence of full information makes it challenging for citizens to hold the government accountable for its management of public money.

International Budget Partnership (IBP) calls for urgent action to improve budget transparency and accountability

To achieve immediate improvements in budget transparency, IBP urges:

- *Governments* to make publicly available budget information that they already produce. In those countries where information is produced but withheld from the public, governments should immediately release it.
- *International financial institutions and donors* to encourage aid-recipient governments to make publicly available the budget information they produce for their donors or internal purposes.

- *Civil society* to publicize and demand explanations for instances in which governments do not make publicly available the budget information they produce for their donors or internal purposes.

Open Budget Initiative – PNG

Mrs Avaisa provided an update on what the CIMC is doing to promote budget transparency and expenditure monitoring under its “Budget Tracking Initiative Training” program. CIMC had embarked on a 3 year forum with the theme: “*Open up the Budget Process*” (2006-2008) and “Community Monitoring of District Grants (DSIP)”. The communities over the years have expressed their frustration about the lack of transparency and accountability over the use of DSIP and discretionary funds. CIMC therefore developed the training program to help communities understand the Structures, Systems, Planning and Budget process, PSIP, DSIP, LLGSIP *Administrative Guidelines and Finance Instructions*, procurement and tendering process in order to support the communities to monitor District expenditures. The CIMC also developed a Community Monitoring Report Card through which misappropriation of funds/resources in their communities can be noted and reported using the report card.

Groups targeted for training are: Ward Development Committees, Ward Councillors, LLG Presidents, Community leaders, NGO group leaders, Women and Youth group leaders and public servants if they wish to attend.

So far trainings have been conducted for Sohe District – Popondetta , Oro Province – 27 participates, Gazelle District –Kokopo, East New Britain Province – 35 Participants, Mendi District, Southern Highlands Province – 44 Participants, Kairuku District, Central Province – 44 Participants, Kundiawa District – Simbu Province – 44 Participants. Mrs Avaisa reported that the trainings have been conducted successfully with high level of satisfaction expressed by participants and many of whom were left empowered by access to such detailed information.

After the training the Oro participants had formed a “*Community Monitoring Group*” and have followed up on incomplete projects in the province and had reported the findings which were published in the newspaper. (*Refer article*)



The Oro Community Monitoring Group findings published in the media (left) and the Oro participants (right).



*November 2011 Gazelle
District Participants with their
Certificates – 35 Participants*

Some comments from participants during and after the training;

- I was an LLG councillor for 2 terms but have not known or seen the Budget allocated to my LLG until the training
- An LLG President claimed that in the absence of the DSIP guidelines and Finance Instruction at their level they were used as rubber stamps to approve projects at the JDP&BPC meetings
- A public servant said; I started work and learnt on the job but appreciate attending this training for it completes the cycle of what I need to know and will perform better now.
- A members Ward Development Committee said, now we know the process of the funds flow to the province down to the LLGs and wards so they will fool us by saying no money because now we know

Evaluation Feedback

At the opening ceremony of a renovated project, a community leader asked if the “*Certificate of Completion*” and “*Certificate of Occupancy*” were obtained prior to the opening of the building and he stated that the colour of the project manager’s face changed. I was able to ask this question confidently because I know the process after the training.

Mrs Avaisa concluded by reminding participants that the DSIP funds are public funds and we are tax payers and our money funds these projects. Therefore we have a right to hold our leaders accountable for the expenditure of these funds. Unless the public rise up and show their purpose and desire to change, we(people) will continue to get hurt while politicians continue to profit.

“Information is Power”, “The right to know is the right to live”
(Muslims for Human Rights, MUHURI)

Questions & Discussions on the floor

Participant 1: Who can authorize Mrs Elizabeth Avaisa to access information from government offices?

Mr Nauga (Auditor General): The power of access to government information is only vested with the Auditor General, not individuals. To exercise Auditors powers, the CIMC needs to become an agent or to be authorised by the Auditor General office to access government information. It is about time that transparency becomes the norm in the lives of the people and the state.

PNG OPEN PARLIAMENT INITIATIVE

Mr John Varey, Project Manager, Open Parliament Initiative, Transparent International PNG

The Chairlady, Dame Carol Kidu being a former MP said that when she left Parliament it was in a mess and the new Speaker has a big task to clean up the mess.

Mr John Varey commended Mrs Elizabeth Avaisa for the informative presentation which provided a good link to TIPNG's presentation.

Do you realize the lack of information, lack of accountability and transparency? In the operation of the government systems and institutions, processes and structures actually cast out the integrity of institutions and its systems and processes. As a result, this leads to growing doubts and mistrust in the public systems and institutions. There is lack of information and lack of civic engagement in the development processes and unless this is addressed, development and service delivery will not be delivered as expected.

We have the systems and process, e.g. for the DSIP, there is the JDP&BPC but if it is hijacked or politicized, what other mechanisms are there to call for accountability and transparency? There is none. So there is a growing need for community mobilization for every district to call for accountability, which is the message Mrs Avaisa is trying to communicate to us and Transparency International would like to see that happen.

The PNG Open Parliament Project is an initiative of TIPNG to support the vision of the Speaker of the 9th Parliament. The current Speaker is actually bringing fresh air and his visions are noble, bigger than Parliament itself. Therefore, TIPNG developed this initiative to support his vision and the project is funded by the European Union. It is common knowledge that over the years, especially during the last two Parliaments, the integrity of our national Parliament, a symbol of collective wisdom and a pinnacle of political decision making, to either make or break the country, has been eroded. This is partly because of the misunderstanding of the roles of Parliament by citizens and the roles of MPs themselves. Hence, there is growing public perception which sees MPs as project managers instead of them being policy makers. It is becoming increasingly impossible for MPs to be re-elected on the number of policies enacted because the perception has totally changed. There is very little community or school based civic education on the role of Parliament thus created a need for an Open Parliament Initiative.

Mr Varey provided background information on the establishment of TIPNG in 1997 by Sir Anthony Siaguru. It is part of the global society of more than one hundred similar chapters worldwide who are leading the fight against corruption believing that fighting Corruption is everybody's business. TIPNG works with the government, businesses and civil society organizations to develop a strategy to tackle corruption and promote accountability, transparency and good governance.

The Open Parliament project was initiated in 2012 and the funding agreement with the European Union was signed on 5th December 2012. The MOU was signed on 15th April, 2013 with the Speaker of Parliament who is very supportive of the project.

The objectives are:

- To help leaders communicate what they are doing
- Help citizens understand the role of Parliament as law makers, as accountability agents and representatives of the community
- Provide a platform for citizens to communicate with the Members of Parliament (MPs)
- Increase awareness on the functions of parliament, its committees and proceedings
- Support the speaker's agenda to restore, reform and modernize the National Parliament of PNG.



Hon. Theo Zurenuoc, Speaker of Parliament who initiated this project



Signing of the MOU

TIPNG hopes to see information coming from districts and LLGs to inform this project as it progresses. Mr Varey said, TIPNG is currently collecting information on official activities of members and Parliament. It is setting up a database and putting the information on the website. They will link the database to a phone network (allows SMS access). This will assist Parliament to prepare annual operational reports. TIPNG also intends to put information in publications, send through email, as newspaper inserts, through radio interviews with members of Parliament, presentations made to Parliament and through public request.

736 Members of the European Parliament

National Parties

Member States

European Political Groups

Coalition trends

Policy areas

VoteMatch

VoteWatch statistics for 2004-2009 European Parliament

List of European Political Groups

Guide to VoteWatch.eu

Glossary of Terms

VoteWatch Calendar

Oct 2011

M T W T F S S

01 02

03 04 05 06 07 08 09

HÜBNER Danuta Maria **Platforma Obywatelska**

0 MEP's comments **Votes of this MEP** **Profile**

Start of mandate 14.07.2009

Last name: **HÜBNER**

First name: **Danuta Maria**

Born on: **08.04.1948, Nisko**

Member State: **Poland**

Group: **Group of the European People's Party (Christian Democrats)**

Party: **Platforma Obywatelska**

Committees/Delegations

- **Economic and Monetary Affairs** (Substitute)
- **Regional Development** ()
- **Financial, Economic and Social Crisis** (The work of the Special Committee was completed on 31 July 2011) (Member)
- **Policy Challenges Committee** (The work of the Special Committee was completed on 30 June 2011) (Substitute)

Disclaimer Value last update : 30.09.2011 **All Statistics**

Parliamentary Questions (PQs)	7	Click for more details	Compare to all MEPs
Motions for resolutions	10	Click for more details	Compare to all MEPs
Speeches in the plenary	31	Click for more details	Compare to all MEPs
Written declarations	0		
Reports amended	44	Click for more details	Compare to all MEPs
Drafted reports	3	Click for more details	Compare to all MEPs
Opinions	6	Click for more details	Compare to all MEPs
Attendance to plenary	92.06%	(116 out of 126 days in the plenary)	Compare to all MEPs
Fidelity to political group	97.47%	(1285 out of 1324 votes)	Compare to all MEPs

What the projects website will look like (above).

A similar project (MZALENDU) in Kenya is called **“EYE ON KENYAN PARLIAMENT”**

Mr Varey said, information carried by the website will include background information of the Member of Parliament (MP), their contact information, the general profile of MPs, inaugural address and the personal statements of members. The member's representational roles and activities will include: membership on committees, portfolios assigned to each member, days the Member of Parliament attends Parliament sessions, voting records, public statements the members make on Transparency International value areas, transparency, accountability, integrity etc.

It will also contain performance reports of members of Parliaments on: Provincial Services Improvement Grants (PSIP), District Services Improvement Grants (DSIP) and Local Level Government Service Improvement Program (LLGSIP), declaration of interests, overseas conferences/meetings attended, number of electoral visits and number of the JPB&BPC, JDP&BPC meeting they hold. The information will also contain Parliament Performance Report of: Days Parliament sits, bills considered and passed, progress of key Bills, questions and answers and contribution to debates.

Expected Long Term Outcomes of Project

- more informed voters,
- stronger incentives for party platform,
- effective and efficient Parliament and public service,
- increased integrity and enhanced democratic governance in PNG and
- Increased core services and rights to citizens as guaranteed under the constitution.

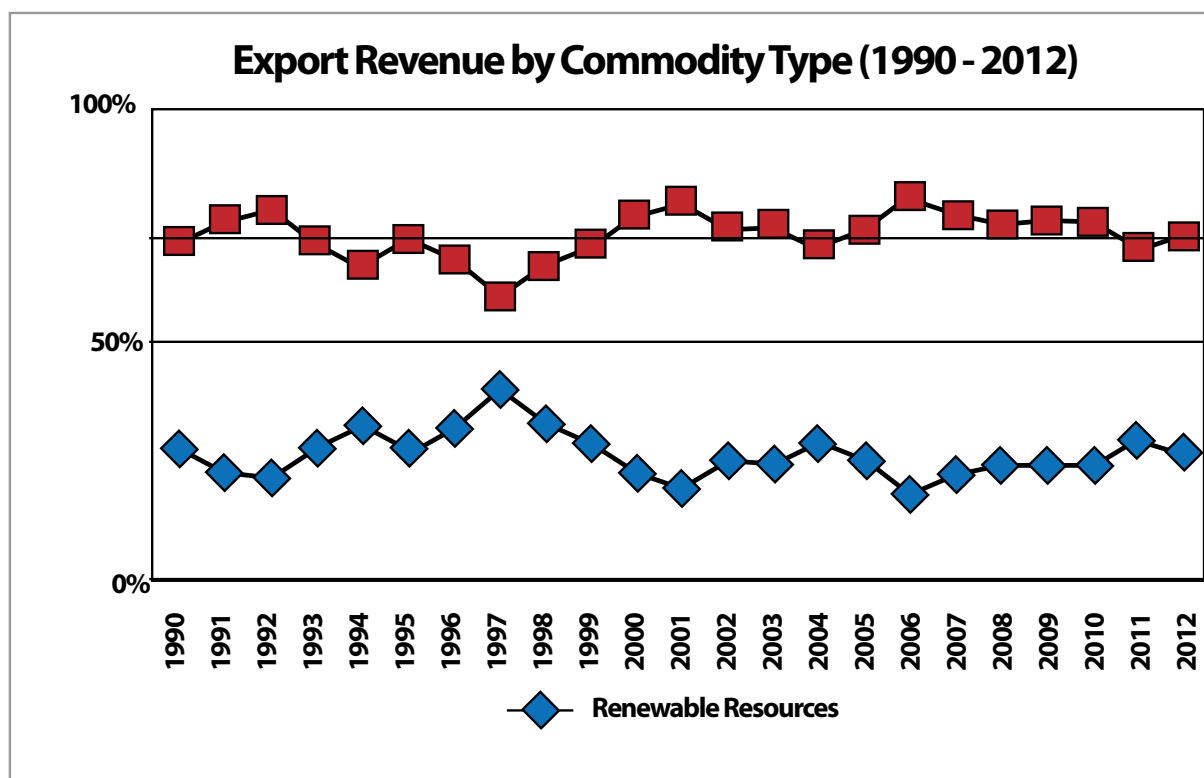
Mr John Varey concluded that access to information is an important pre-requisite to empower citizens to make informed decisions, generate interest among citizens, promote transparency and accountability in the work of Parliament and its members and enhance best Parliamentary legislative practices.

Sub-Theme 3: Conducive Environment for enhanced community participation and inclusive development

AGRICULTURE FOR BROAD BASED OPPORTUNITIES & DEVELOPMENT

Mr Warren Dutton, Chairman, North Fly Rubber & CIMC Agriculture Sectoral Committee

PNG Development Challenge



Agriculture currently contributes 18% by value of PNG's exports, but this will fall to less than 10% by 2016 when LNG exports commences. The annual value of LNG exports will be 10 times that of oil palm, and 20 times that of coffee.

Evidence shows that areas with extractive industries have higher rates of child mortality and other indices of disadvantages, compared to areas that produce food for sale and export crops as shown below.

District / Province	Under-5 Mortality Rate, 1999	Major industry
Kundiawa, Simbu	23	Coffee, fresh food
North Wahgi,	29	Fresh food, coffee
Rabaul, East New Britain	31	Cocoa, copra, fresh food, betel nut
Goroka, Eastern Highlands	33	Coffee, fresh food
Nuku, West Sepik	143	None
Karimui-Nomane, Simbu	178	None
Menyamy, Morobe	228	None
Gobe	184	Oil & Gas
Hides	246	Oil & Gas
Moran	384	Oil & Gas
Kutubu	416	Oil & Gas

Why Agriculture is important?

Most Papua New Guineans (81% or 5.8 million) are/were rural villagers in mid-2012, which is one of the highest proportions of rural people globally. Agriculture continues to provide:

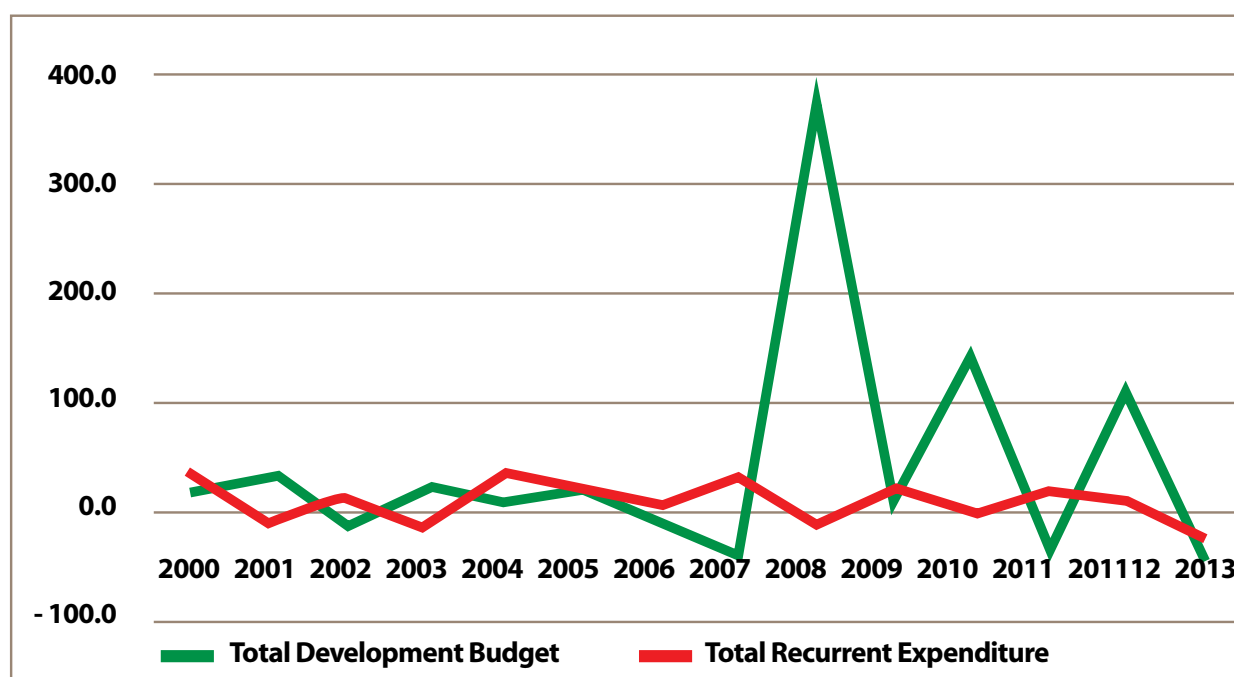
- ☐ most of the food consumed in PNG- 83% of food energy; 76% of protein (2006)
- ☐ Cash income from agriculture and other sources pays school fees; transport to medical facilities and markets; and many other items

Agriculture is a fundamental instrument for sustainable and inclusive development, broad-based economic growth, poverty reduction and wealth creation.

Is the importance of agriculture rhetoric or reality?

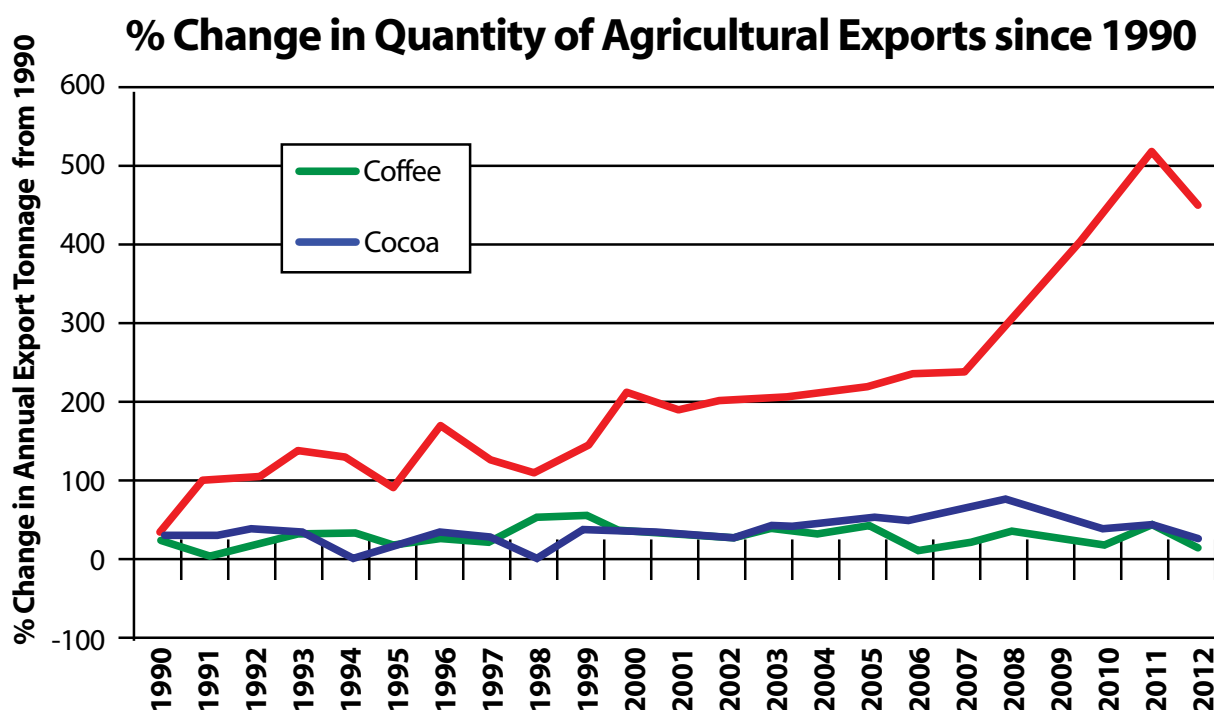
Public investment in the sector had been lacking until GoPNG & AusAID's ARSDF program & NADP funding between 2007 and 2012 showing some hikes in the Total Development Budget (DAL, Statutory Agencies & Provincial Derivation Grants). Production and exports of the tree crop sector has remained stagnant, except for Palm Oil for over more than a decade. The funding commitment by Government to NADP of K100 million per year has generally been seen as a slash fund for those in positions of authority and power.

% Change in Total Agriculture Sector Budget since 2000 -



The above indicates that both total recurrent & development budgets were the same since 2000 until 2007 showing the NADP funds in the development component.

Performance of the Agriculture Sector



Key Agriculture Sector Initiatives

□ POLICY LEVEL

Development of the NADP (2007–2016) was a significant step to stimulating and growing the sector in the country, which was aligned to the Medium Term Development Strategy (2005–2010) and the Vision 2050. The NADP was a result of a wide stakeholder consultation with rigorous local technical input (Volumes 1 & 2 including Implementation Guidelines).

☐ PROGRAM LEVEL

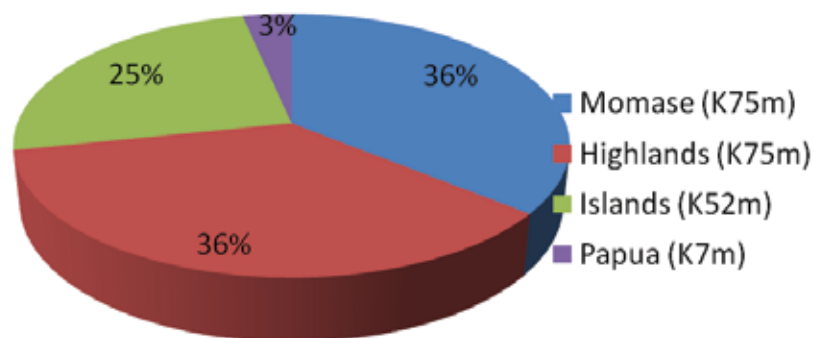
Key programs initiated for the sector include:

- ☐ NADP - completed ✓
- ☐ ARDSF - completed ✓
- ☐ PPAP – Implementation in Progress
- ☐ SADP -Implementation in Progress
- ☐ ACIAR- ongoing in various areas of agriculture
- ☐ SSSPP – Almost completing
- ☐ PNGSDP – Ongoing including partnering with others programs such as PPAP

NADP Funding Disbursements

IMPLEMENTING AGENCY UN	YEAR	AMOUNT (K' Million)
DAL	2008 & 2011 SUP. BUDGET	K110
DNPM	2009 & 2010	K169
NDB	(2009-2012)	K160 (Appropriated) K110 (Actual Exp)
DISTRICTS	2011	K89
TOTAL	2008-2012	K528 (Appropriated) K478 (Actual Exp)

DAL & DNPM Funding disbursed by Region



Major Agriculture Activity funded under NADP

Agriculture Crop/Activity	2008 DAL	2009 & 2010 DNPM	TOTAL (2008-2010)
COCOA	20%	34%	29%
COFFEE	13%	24%	20%
COCONUT		8%	6%
CATTLE	27%		12%
INTEGRATED FARMING		12%	8%
EXTENSION SERVICE	19%		7%
TOTAL	80%	79%	83%

Lessons from NADP

- ☐ No proper and systematic awareness of the application process with many genuine entrepreneurs, organizations and businesses completely missing out
- ☐ Process of application was long, convoluted and beyond the reach of genuine asset based farmers in the rural areas. Not to mention the corrupt practices of demanding a 10 per cent cut for processing the project proposals
- ☐ No project monitoring and reporting of disbursed funds by all implementing agencies
- ☐ NADP funds disbursement mechanism was never tested before being used and hence has been a total failure
- ☐ DAL and DNPM used their own project screening and approval processes
- ☐ Significant amount of political influence and interference in the use of the NADP funds
- ☐ NADP funds used as a Slush Fund with no proper accountability and high levels of wastage of public monies
- ☐ 67 per cent of NADP funding budgeted by the sector over the 5 year period has been released (2008-2012) with nothing or very little to show forth (K478m/K715m)
- ☐ There needs to be more equitable distribution of NADP resources across regions, components of NADP, sectors, etc
- ☐ All four NADP implementing agencies have not developed an M&E framework for regular reporting on project implementation as well as to link performance at project and subsector levels to sector level indicators and outcomes and finally to the DSP 2030 indicators and targets

Successful Competitive Grant Mechanism

In light of the terrible failure of the NADP, it is worth mentioning a successfully trialled and tested competitive grant mechanism, which is the Agriculture Innovation Grant Scheme (AIGS). AIGS was intended to be the NADP funding mechanism in the initial 5 years to set the reputation and track record of being able to manage a robust funding mechanism convincing other funding partners including donors to pool their funds into the National Agriculture Development Endowment Fund (NADEF).

Key Learning- NADP Experience vs AIGS Experience

1) Funding Mechanism

The following were noted on funding mechanisms under NADP

1.1. Weak Governance Structure;

- Approved governance structure was not used
- Oversight body non-functional
- Seen as a Slush Fund
- Lack of Scoping & Selection Committee

- No Management Committee
- No Technical Appraisal Committee
- No competent secretariat

2) Service Delivery Mechanism

With regard to service delivery mechanism, the following were noted when comparing the two programs (NADP & AIGS)

2.1. NADP

- ☐ Secretariat was understaffed and lacked technically competent staff
- ☐ Service delivery mechanisms kept changing, with no awareness except through CIMC forums, no standard application forms, and no training in how to apply
- ☐ Funding discontinued due to gross abuse of the funds
- ☐ Had no established service delivery mechanism

2.2. AIGS had:

- ☐ Competent staff recruited both internationally and locally
- ☐ Nationally designed, operated and trialled
- ☐ Operational procedures, processes and systems in place
- ☐ Promoting and reinforcing innovative culture in the sector at policy, programming, technological and institutional levels
- ☐ Capacity building of project partners and recipients
- ☐ Successfully trialled and tested Robust Funding Mechanism
- ☐ Successfully trialled and tested People centered Service Delivery Mechanism

Recommendations

1. That NEC direct a review to be undertaken of the central coordinating agency; Department of Agriculture and Livestock with a view to ensure a stable and empowered institution that services the entire agriculture sector, from small-scale farmers through to large-scale agribusiness, in a transparent and accountable manner
2. That a permanent Secretary for the Department for Agriculture and Livestock be appointed by NEC following due processes and procedures as per the PSM Act
3. That appointment of members to the Commodity Boards which are not fully functional be made as a manner of priority following due process and procedures as stipulated in the RSA Act. The case of Cocoa Board has to be mentioned here given that the Board has not been operational for more than 5 years now
4. That all implementing agencies of NADP funds between (2008-2012) be investigated by the Task Force Sweep and necessary actions taken
5. That the NEC Submission on National Agriculture Incentive Facility (NAIF) be endorsed by NEC as a funding mechanism assisting and completing other funding modalities to implement the NADP 2007-2016

THE NATIONAL INFORMAL ECONOMY POLICY 2011-2015 FRAMEWORK- PROGRESS & CHALLENGES OF IMPLEMENTATION

Mr Dickson Kiragi, Executive Manager, Department of Community Development & Religion on behalf Ms Anna Solomon, Acting Secretary and Chairperson of the CIMC Informal Economy Sectoral Committee

Background and Rationale of the Policy

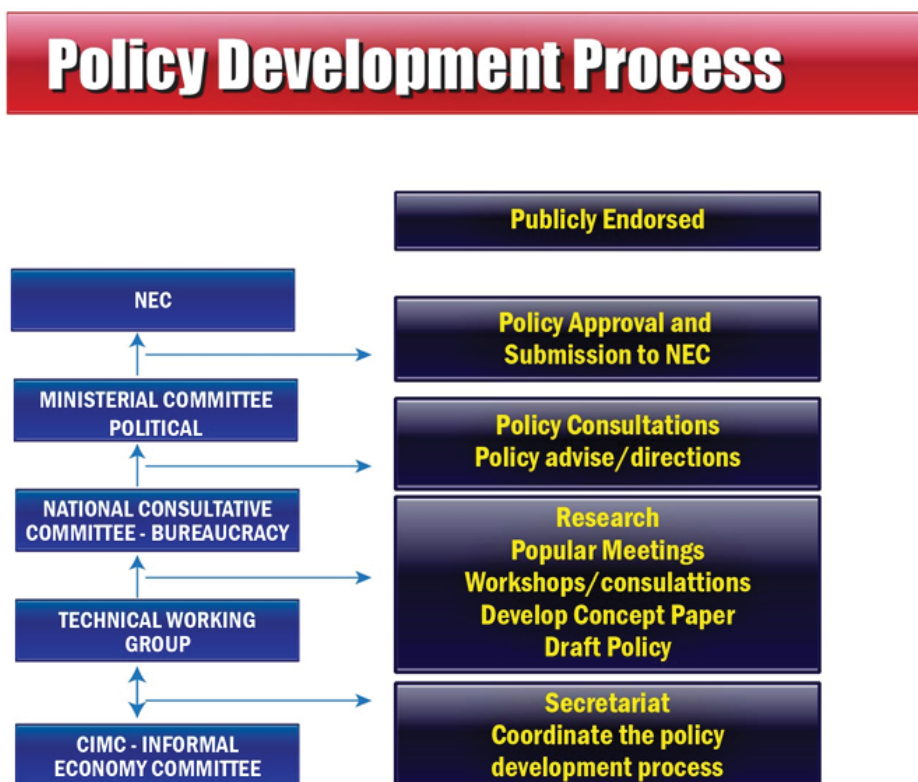
Most Papua New Guineans are involved in the informal economic activity both in the rural and urban settings (well over 80%). Therefore it is important for it to be recognised and supported though it is obviously seen as an initiator for lawlessness, dirt and filth. The emergence of informal economy is purely a result of the dynamics of supply and demand. In PNG, the rise of informal economy can be attributed to three main factors;

- 1) Reductions in statutory minimum wages occurring in early 1990s
- 2) Devaluations and floating of kina from 1994 and
- 3) The doubling of population to six million people in the last generation

Each if these factors have put people under economic pressure forcing them to find new ways of earning a living.

The National Informal Economy Policy 2011-2015 was launched in February 2011. It recognizes the importance of informal economy in PNG and provides a framework to guide the participation of the informal economy in the socio-economic development of this country. The Policy will put flesh on the existing INFORMAL SECTOR DEVELOPMENT & CONTROL ACT 2004 and guide the government in the administration of the Act.

The NEC Decision 156/2006 endorsed a development of national policy framework on the informal economy and NEC Decision 172/2010 endorsed the policy. This same decision also endorsed the Department of Community Development & Religion as the lead implementing agency. It further directed the Constitutional Law Reform Commission to review the Informal Sector Development & Control Act 2004 in collaboration with CIMC Informal Economy Sectoral Committee to align the Act to the policy.



Policy Strategy & Priority Areas

The policy will focus on two major strategies to implement the Policy.

1. Promote and coordinate financial inclusion initiatives and
2. Increase the efforts to ensure certain critical public goods and services are provided to benefit informal economy participants

Financial Inclusion

PNG has one of the lowest levels of financial inclusion in the world with the 'financial exclusion' levels estimated to be in the range of 10-15%. Therefore coordinated efforts to increase financial access will involve tapping into such innovations like mobile phone banking, agent banking, diversifying providers and introducing relevant and appropriate reforms into public banks, financial identifications and consumer protection. The role of the government in financial inclusion will be to provide an enabling policy and regulatory environment while assuring consumer protection and the safety of deposits in financial institutions.

Public Goods & Services Component Focuses on:

This component of the Policy involves efforts to providing market facilities that contain all the necessary utilities such as electricity, water and toilets located in strategic 'nodes' in both the rural and urban areas. This is to be provided on a user pay basis and other relevant services like spaces, agriculture extension services, a very effective law and order regime and a planning process that takes into consideration the interest of informal economy.

It also requires a comprehensive national audit and documentation of all identifiable economic activity in the country, providing avenues for informal economy participants to 'voice' their concerns on issues affecting them and to have regular dialogue with relevant authorities and education and training in the area of business development and financial literacy.

The solution to the growth of PNG's jobless population, rural urban drift and growing levels of poverty in both rural and urban areas lies in a vibrant informal economy through an appropriate policy and program intervention.

Recommendations

- 1) That the government adequately fund the implementation of the National Informal Economy Policy starting with the Review of the Informal Sector Development & Control Act 2004 that is currently being looked at by CLRC and CIMC Informal Economy Sectoral Committee, The National Audit of Informal Economic Activities and the mid-term review of the NATIONAL INFORMAL ECONOMY POLICY 2011-2015
- 2) That the Department of Community Development & Religion and government as a whole ensures that the NEC commitment as per NEC Decision No 172/2010 and NEC Decision No 151/2013 provides a sum of K2,050,000.00 for the operational expenses and implementation of the policy is factored in the 2014 budget
- 3) That the National Informal Economy Policy be aligned with the new SME Policy and the SME master plan

Questions and Answers

Question 1. Can the government upgrade big hospitals like ANGAU Hospital to international standards so that small people who can't afford complicated treatment overseas can access it here at an affordable price?

Answer: (Mr Kapa). The Department of Health is currently trying to address that through the establishment of 4 regional hospitals and respective provincial hospitals which will become referral hospitals to deal with unique cases that may otherwise, need overseas treatment. However, due to budget constraints, we can only do so much. Therefore, the Minister and the Department of National Planning & Monitoring are trying to identify other modalities and financial arrangement to counter attack the problem of resource constraint. This may also mean that big hospitals like ANGAU and Port Moresby General Hospital can have their own procurement processes.

Question 2. Is it possible for the Bank of Papua New Guinea to educate our people about the annual government budgets and its processes as most people lack the understanding?

Answer: (Dr Gauzi). Budgeting is part of this idea called financial literacy that the Bank of Papua New Guinea is currently promoting through financial inclusion. A Financial Diaries Study was conducted in collaboration with INA in three provinces, namely; West New Britain, Eastern Highlands Province and NCD. The survey tries to find out where each family receive money and how they were using it. The result of this survey can be used by the government to develop relevant policy intervention. Apart from the financial literacy survey workshops, the BPNG is also facilitating a project that focuses on opening of school students' savings accounts. Progress has been made in talking to Department of Education by the Bank to look into the idea of incorporating financial literacy into the overall education curriculum in the country so that kids can learn the basics of financial literacy at an early age.

Question 3: With the Bank of Papua New Guinea planning to reform the National Payment System in the country, have you thought of how best to detect fraudulent activities that may take place as a result?

Answer (Dr Gauzi). The BPNG has an arrangement with the Department of Treasury where a cheque was issued by a government department the responsible bank will have to call up the Finance Department to make sure there is a matching number back where the cheque originally came from. This prevents people from using a cheque that was issued within the same system but ends up in wrong hands. In addition, the payment system has drastically reduced the use of paper based payment (cheque), resulting in significant cost savings. Initial discussions with the Department of Treasury was challenging as it was not willing to cooperate in fear of losing out on their 10 per cent commission because the new system may reduce that sort of corrupt practice.

Question 4: With the Government planning to establish an Infrastructure Development Authority (IDA), how can we ensure that it does not create a bottleneck in the procurement process and that there is due diligence and compliance to the PNG procurement guidelines?

Answer (Mr Kapa). By establishing the IDA, it aims to ensure the procurement process is efficient and effective. However, important to note is that though the IDA is established on a transparent and efficient procurement system, its effectiveness entirely depends on the people who are running that system. The current system is such that it takes a long time to scope, procure, tender and bid and therefore, most often the funds end up in trust accounts (as per the In-appropriation Bill) which automatically return to the consolidated account or gets diverted elsewhere on the 11th Hour. The Supply and Tenders Board can still go on performing its functions, but they still go before the NEC for approval. The establishment of IDA is one way of ensuring that proper checks and balances are in place.

Question 5: Although you mentioned that the Department for Community Development and the CIMC Informal Economy Sectoral Committee was looking at establishing links with the SME, are you looking at linking up with SBDC given their role in training many of the informal economy and SME participants?

Answer (Mr Kiragi). SDBC is a member of the CIMC Informal Economy Sectoral Committee. Their role in imparting those skills and training in the area of financial literacy will become crucial in graduating a lot of the informal economy participants into the SME sector. We have already started the process to get the Minister for Commerce, Trade and Industry and Minister for Community Development & Religion to talk to each other and find synergies in the way we should be progressing the SME sector through tapping into the informal economy.

Question 6: I have been involved in a survey that was conducted with NARI at Laloki with the Fresh Produce Development Agency. I am planning to go back to my village to run workshops and train my people on some of the knowledge that I have gained in the resource centre I have built.

Answer: (Mr Kiragi). The Informal Economy Policy stresses that, having the necessary public goods and services such as agriculture extension programs and basic literacy skill supported by infrastructure such as roads and bridges to link the rural farmers to the markets are essential to stimulate the informal economy which includes the agriculture sector. Therefore, it is encouraging to see government agencies like NARI and FPDA investing in training farmers. The Integrated Community Development Policy also identifies that establishing community resource centres at the district or ward level is important to deliver much needed service to the people at that level. However, it comes back to the idea of ownership and in this case, it very much depends on the community to take ownership of such ideas and initiatives.

Question 7: In Milne Bay, places allocated for informal economy markets have now been taken over by other activities. The Alotau Urban Local Level Government (AULLG) controls the licensing and collection of fees from the people who do their marketing yet they do nothing to provide a safe location for mothers and women in general to sell their goods or produce. There should be more emphasis placed on AULLG to provide these facilities.

Answer (Mr Kiragi). This is one of the major issues the policy tries to address because the INFORMAL SECTOR DEVELOPMENT & CONTROL ACT 2004 does require proper market facilities to be established. The Act does this by providing the powers to the relevant authority such as AULLG in consultation with ward committees, the police force and relevant government agencies responsible for public health, physical planning and building to declare areas that can be allocated for conducting informal economic activities. The Act also gives these authorities the powers to restrict the kinds of activity that can be conducted in a market. However, generally from our perspective the lack of effective enforcement in accordance with the Act by relevant authorities has been one of the reasons why informal economy in the country has not been properly supported and nurtured. The Act also has its flaws and weaknesses that the up-coming review will hopefully address and take into consideration.

Sub-Theme 4: Service Delivery & the Organic Law on Provincial & Local Level Governments

EXPERIENCES OF IMPLEMENTING THE ORGANIC LAW AND OTHER RECENT LEGISLATIONS: CHALLENGES & ISSUES

Dr Erik Kwa, Secretary, Constitutional Law Reform Commission (CLRC)

Key summary points

- Review the various existing laws in consultation with the public to ensure their views and interests are captured and reflected in the changes done to the laws

Work being done by the CLRC

1. Review of the Informal Sector Control and Development Act

The CLRC is reviewing the Informal Sector Control and Development Act and the National Informal Economy Policy through public consultation and input. This is to ensure the policy captures emerging issues in the informal economy sector such as health, sanitation, water and shelter for vendors and users.

2. Review the PNG Cities Act of 1971

In early 2013, the CLRC received a Terms of Reference (TOR) from the Minister for Justice Hon. Kerenga Kua for it to review the Cities Act of 1971. The two cities, Lae and Port Moresby were declared under the 1971 Act which states; if Government owns 10 thousand hectares of land or more with a population of 50 thousand, then that place will be declared a city.

Given the current population and land issue scenarios, the CLRC is reviewing the 1971 Act to ensure the Act accommodates for all present indicators that warrants for a city to be declared.

Key issues considered in the review are

- The criteria used for declaring a city to ensure cities are a National Asset where every Papua New Guinean has a right to live in
- Influx of people into towns and cities contribute to ethnic clashes, destruction of property and loss of lives
- Increase in unemployment and law and order issues escalating within cities
- Some politicians from Morobe against the idea of Lae City Authority becoming a Commission
- Cities are overcrowding without proper planning and necessary prerequisites accessible by the greater majority
- Expansion of city boundaries into customary land requires full consultation and participation by landowners
- Overcrowding in the cities is mounting pressure on available or scarce resources, services and infrastructure making decent and affordable services hard to access by the greater majority, even in Port Moresby

3. The CLRC 's support in strengthening districts and LLGs for effective implementation of 2013 Budget

a) A New Decentralised System.

Dr Kwa stated that the CLRC will review the Organic Law on Provincial and Local Level Governments as per Cabinet directives in order to reframe the system. The first review survey was done in 1995.

The present Provincial and Local Level Government system was changed in 1995 through the work of the Constitutional Review Commission under the leadership of Hon. Ben Micah during Sir Julius Chan's tenure as Prime Minister.

The O'Neill/Dion Government has directed the CLRC to let the people decide through a consultative process what system they prefer during the review cycle. Review to be carried out from June 2013-May 2014 with consultations around the country starting in September 2013.

Approaches to be undertaken in the review process

- Public submissions opened in August to allow for the public to write to the CLRC and provide their views on the amendments and related issues
- Carry out public consultations to get peoples' view on what changes they want about this law and bring their inputs into the system
- Work with citizens to develop a decentralized system that will respond to Vision 2050 and the Development Strategic Plan of 2030
- Work in conjunction with relevant government departments and the CIMC and bring all the reports and updates of this process to the regional forums for presentation
- Have an officer available at the office to get public queries and views relating to the review
- Ensure this work is undertaken by government rather than others so that the CLRC can keep the data and the history on what is happening in the system

UNLOCKING CUSTOMARY LAND FOR SOCIO-ECONOMIC DEVELOPMENT: LAWS & PROCESS

Dr Erik Kwa, Secretary, Constitutional Law Reform Commission

Key Summery points

- Customary and ILG land registration and issuance of titles is economically beneficial to land owners for the long term including generations to come
- Land ownership to be recognised through law for equal participation in development

Dr Erik Kwa stated that the government had set up the Land Development Program which was tasked to look at a number of areas including to improve access to land, and improve the possibility of our people utilizing the land for their own economic and social wellbeing. The program executed three different programs;

1. Review of Customary Land and Land Laws, to see how customary land could be accessed by amending laws through customary land registration
2. Land Administration Program within the Lands Department to improve efficiency within the Department
3. And improving the land dispute mechanism process, improving land dispute courts and other matters related to land disputes

Work related to this which begun in 2006 resulted in Government passing a law in 2009. And through Parliament two Acts were amended;

- a) The Incorporated Land Groups (ILG) Act of 1974
- b) and the Land Registration Act

This was done with the aim to encourage customary landowners to mobilize themselves and to be given formal recognition by law through the land registration process. This improved the ILG institution previously established under the Forestry Act, Mining and under the Petroleum and Gas Acts.

This will see ILGs being registered under a system that is established under the Lands Department through an office created specifically for ILG and customary land registrations.

The amendment to the Registration Act now enables the Government to issue titles for customary lands to clans. That recognition is given by law under the Land Registration Amendment Act of 2009. This allows landowners to manage and own their land. Once the land is divided up by owners a plan of the land will be drawn up by the Surveyor General from the Lands Department and assist with surveying and registration to issue a land title.

VIEWS FROM DISTRICTS and LLGs in PROVIDING SERVICES AND ENCOURAGING COMMUNITY PARTICIPATION

Lindsay Alesana, Alotau District Administrator, Milne Bay province

Key summery points

- a) Formulate achievable developmental plans and map out priority areas to guide implementation of identified projects according to specific needs to ensure services reach the rural majority
- b) Support and empower LLGs through funding initiatives that can assist them generate income that can be invested in economic activities or used to support basic service delivery
- c) Encourage land mobilisation in the LLGs to ensure people register their land and participate in long term economic activities
- d) Build capacity at the district level to ensure budget transparency and appropriate implementation, reporting and monitoring processes
- e) Support local initiatives through subsidy schemes in farming and education

Mr Lindsay Alesana said the Alotau district administration upon realising the need for engaging the public in providing needed services district and LLG activities are developed with input from the public. Where Alotau is in terms of service delivery

To ensure services are delivered the district administration undertook several approaches outlining where they are, where they want to be, and how to get there. Needs identified and/or executed to make services accessible to the people include:

1. Administratively, Alotau district headquarters has to be relocated to Alotau, where all administration staff can be supervised closely
2. Alotau district was the first in the province to launch its five (5) year Integrated Development Plan on the 9th February 2013 together with the LLG Plans for the seven (7) LLGs
3. Launched the Alotau district website www.alotaudistrict.gov.pg

ALOTAU DISTRICT: FIFTEEN PRIORITY PROJECTS, 2013-2017
1). The Muggil/ Charles Abel Highway (Gogodba to East Cape) – All-weather Gogodba to Sagara Junction, Sealed Sagara Junction to East Cape.
2). North Coast Highway Stage 1 – All weather Babelotea Junction to Lavara, feasibility and design of stage 2 Lavara to Wodan or Kapurika to Wodan.
3). Fife Bay Road – All-weather Sagara Junction to Fife Bay.
4). Sirikiri/ Agaya Road Stage 1 – All weather Sirikiri to Boman, stage 2 design and cost – Boman to Agaya or Agaya to Magarida.
5). Jetty Program – Fife Bay, Sunu Is, Lavara, Redava, Rabaraba, Manupl, Melikiri, (Awadama, Wodan, Girana, Sirikiri, Tarakwaruru complete)
6). Sunu High School – completed to Grade 12. (Grade 9 commenced in 2012)
7). KB Youth Centre/ Program – Community College, University Centre, Soccer Academy, Members Cup, Eastern Stars.
8). Mobile Coverage Complete – Tower at Bosarus, Tower at Aragip (Fife Bay and Rabaraba complete)
9). NBC Milne Bay Coverage boost to whole District.
10). Health Centre Maintenance & Ambulance each.
11). Police Post, Lockup and housing at each LLG headquarters.
12). Housing Program – Roofing iron, solar lamp and water tank to each household.
13). Alotau Urban 10 Year Development Plan and Implementation.
14). Copra Subsidy and Oil Palm Seedlings Assistance.
15). Relocation of District Headquarters to Alotau with establishment of new office building, workshop and housing.

Most of the 15 priority projects are complete while some are under construction.

Activities undertaken by the district administration to ensure local participation in economic activities and enhancing services provided by church agencies include;

- Empowering Churches by donating boats to them annually
- Donation of dinghies, chainsaws, rice mills and coffee pulpers to empower our farmers
- Chainsaws donated to LLGs and operated by Ward Development Committees to raise revenue within the Wards
- Donated PMV trucks to each LLG to raise revenue
- Donated tractors and accessories including slashers, plough and a grader blade. With these the LLGs are helping to plough school farms and slash grass on ovals
- One million kina committed to Digicel to put up tower facilities to enable wider network coverage in the district
- Funds have been committed for FM equipment, NBC equipment to boost broadcast network in the rural areas
- K1 million under PIP committed for rural electrification program. Proposed plan is to take it all the way to East Cape
- Five hundred thousand allocated to buy and distribute oil palm seedlings to farmers (K10.00 per seedling)
- K5 million allocated to build a stadium and an inter-denominational centre which will be used as a youth rehabilitation centre
- K250,000 committed for District Scholarship Program, an initiative seen to be providing relieve to overburdened parents and an investment in the future of Milne Bay students



Where we want to be

- Maintain a fingertip link www.alotadistrict.gov.pg
- Complete all 25 projects and forecast for more
- Present the Five Year Integrated Development Plan for review in October, 2013. This is linked to the MTDP and ITDP
- To be computer competent through capacity enhancement at the LLGs

How to get there

- Through tough budget auditory and monitoring and reporting process particularly at the district and LLG level. Improve capacity of the district treasury staff and build up LLG capacity including staffing and housing for effective service delivery
- Strengthening districts and LLG systems through the 5 year integrated district development plans
- Finding means to encourage participation in business and investment
- Allocating K2million under the Land Mobilization Program so they can register their ILGs and take part in the development with small scale businesses

VIEWS FROM THE DISTRICTS & LLGs IN PROVIDING SERVICES AND ENCOURAGING COMMUNITY PARTICIPATION

Mr Tae Gwambalek District Administrator, Bulolo-Morobe Province

Key summery Point

- Delivery of basic service to the people is very important and requires innovative approaches to be undertaken in the districts to beat the challenges and ensure services do get provided

Mr Gwambalek said following the Forum theme the Bulolo district administration came up with the sub theme; “Empowering Service Delivery through Parallel Programs in the Bulolo District”. This was spurred by the question, how do we enhance existing systems to ensure basic services trickle down to the people in the rural areas? This resulted in the district administration introducing parallel programs in the District to assist the usual delivery system of the Government.

Health

Mr Gwambalek said only 29 Aid posts are operational from the 47 in the district, 18 have closed down. There are a total of 78 health workers including HEOs, Nurses and Community Health Workers serving a population of 102, 188 people.

He stated that a mobile clinic was initiated as a parallel program to cater for the shortfall in the normal health delivery system. The mobile clinic extends to areas where health services have closed down. Nine ambulances were bought for the parallel program; two for very remote areas to assist Village Birth Attendants (VBA) refer patients to health facilities and 7 for existing health facilities.

Road works

He further stated that a parallel road works system was also working with the normal provincial works program to carry out road maintenance. Six bulldozers have been stationed in 6 LLGs to maintain the roads or where necessary build new roads.

Building and maintenance

He also highlighted that a building construction and maintenance program runs parallel with the district programs to ensure infrastructure including aid posts, classrooms and other service buildings are maintained or built where required as per the district program.

Water Supplies and Maintenance

Bulolo has its own water supply system with a maintenance team and technicians. The parallel program has a similar team and resources to support this service to ensure no services are left stranded.

Law & Order

Seventy reserve policemen were recruited, trained and equipped with arms and vehicles through the parallel program to support regular policing in the district. Each LLG's have their own police vehicle and 10 policemen to attend to law and order issues.

2013 MOMASE REGIONAL DEVELOPMENT FORUM RECOMMENDATIONS

Mr Baltasha Maketu, NGO and Church Worker, Aitape-West Sepik Province

Key Summery Points

- a) There is lack of adequate management, capacity and accountability in the districts
- b) Ensure the people are involved in all facets of development including customary land registration to allow for economic benefits to trickle down to the people
- c) Ensure budget transparency and review of Joint District Planning and Budget Priorities Committees' structure and processes
- d) Lack of comprehensive and realistic data for effective planning that can translate to tangible development and service delivery in the provinces

Mr Baltasha Maketu a representative of the participants from Momase presented snap shots of the conclusions and recommendations from the CIMC Momase Regional Forum in Vanimo. He acknowledged the good turnout at the CIMC Momase forum with, 79 from the Government, 36 from NGOs and Civil Society and 16 from the Private Sector while 3 were from donor agencies.

Presentations at the Forum were from a cross-section of society and from the National Planning Department in relation to aligning Provinces, Districts, LLG and Ward Plans to the Alotau Accord.

According to Mr Maketu, the key issues that emerged at the forum as observed by the Momase participants were:

- a) The cost of service delivery in rural areas is very expensive and there was insufficient operational funds to support provincial and district treasury offices to operate effectively
- b) The Government's reform agendas are not synchronized and coordinated. For example, information dissemination on policy changes were not filtering down to the provinces and districts for implementation
- c) There is inadequate capacity for meaningful implementation in the districts
- d) Law and order problems were affecting business operations and social services
- e) Too much money going to the provinces, districts and LLGs but management and accountability of these funds was a concern
- f) Management capacity of some provinces to be able to fully utilize public funds for effective service delivery continues to be a problem
- g) Lack of comprehensive and realistic data for effective planning in the provinces

Key recommendations going forward, presented by the Momase Participants

1. Make sure that the planning and budgeting process involve the people at the community or ward level – (bottom up planning)
2. Need a more transparent way of screening the budget at the LLG and provincial levels
3. Review suggestions and recommendations made to review the Joint District Planning and Budget Priorities Committees' structure and processes
4. There must be a Masterplan for the 89 districts to work in partnership with the government
5. There must be appropriate legislations that tie all levels of government and their roles and responsibilities to be clearly defined, to establish a provincial coordinating committee to oversee the development strategies acceptable to all players
6. Encourage public private partnership to ensure that civil society doing work without government support in funding and policies is supported
7. Empower provincial land boards through decentralising powers down to the provincial and district levels

8. National and provincial governments to take responsibility of land disputes and mediation
9. Make customary land registration compulsory and to be funded by the government
10. More awareness on the processes involved in formulation of ILGs, SABLs for people to unlock their traditional lands for development
11. Provide housing as an incentive. Currently housing is not a condition of employment
12. Development guidelines in consultation with local communities should be encouraged and implemented
13. We need high standards of good governance in all levels of government, activities and programs in the districts



2013 HIGHLANDS REGIONAL DEVELOPMENT FORUM RECOMMENDATIONS

Mr Gabriel Mapa Program Director, KI Association, Mt Hagen WHP

Key Summery Points

- Bottom up planning and decision making must be encouraged to promote active participation by all actors, including active participation of women, youth and people with special needs
- Update data and information at the districts and LLGs which are vital for planning purposes starting from the wards
- Increase LLG and ward operational funds
- Up skill and enhance staff capacity at district levels through targeted training programs to enforce government legislation and ensure performance and transparency in public finance management and reporting
- Councillors need to be made aware of their mandate and be schooled in the processes and procedures and hoe they can participate fully in managing their wards

Mr Gabriel Mapa presented on behalf of the participants from the seven highlands provinces of Papua New Guinea, Eastern Highlands, Chimbu, Western Highland, Enga, Southern Highlands, Jiwaka and Hela Provinces.

Mr Mapa stated that it was the anticipation of the highlanders that their views as presented will be taken on board seriously at the policy level with politicians pushing them into line agencies for implementation.

He said the issues raised were real as encountered by the people regarding service delivery. Their experiences were that, there were no roads, airstrips or other basic service facilities such as health and education. He mentioned that a follow through would occur in another forum where they would anticipate to see some of the recommendations were achieved through collaborative approaches.

Mr Mapa acknowledged the participation of people from various sectors of the society including the government at the forum. There were 100 participants from the government sector, 70 from the private sector and others from civil society, church and NGOs. Eight participants were from donor agencies bringing the total number of participants to 178.

Key issues raised by the group that were presented by Mr Mapa include:

- Lack of consultation and coordination at all levels of government and between Non-Government stakeholders to allow for government to provide ownership and coordination
- Strengthen system and structures that promote coordination and networking in relationships. Identify partners or stakeholders that have impact in a particular activity or service. Clearly state the demarcation of roles and responsibilities between each tier of Government
- Provincial coordinating and Monitoring Committee need to be rolled out to provinces and be institutionalized. Decentralize functions such as Land Committees, ILG and SABL approvals, including senior management appointments and disciplinary actions
- Government and Non State Actors to identify NGOs, CSO, FBOs, and Development consultants, or Network structures for regular consultations to work out strengths and weakness of each partner and to mobilize resources
- District Administrators to ensure there is an increase of representatives of non-state actors as per the Organic Law on the JDP and BPC. LLG and Ward Structures to promote active participation by all actors in the decision making and implementation
- Review the Law and relevant policies on JDP and BPC so MPs do not manipulate decisions and set up Community Watch Dogs in all sectors of the Government and Community

- Provide awareness to communities about the benefits on traditional land use so that traditional land can be unlocked for economic development purposes
- Ensure Public Services exist at the District and LLG level

Recommendations brought forward from the Highlands Development Forum:

- a. Design and encourage bottom up planning starting from the ward level through ward development committees in alignment with the Medium Term Development Plans linking to Vision 2050. Revive the village record to keep an update of the population which is the data and information required for planning
- b. Develop Minimum Standards for Districts and LLGs to be standardized and consistent. Local Level Government manual and village book need to be made known and used for population data collection. LLG including LLG Managers to guide the above process and monitor to ensure they are happening
- c. That annual LLGs and Ward operational funds be increased to K20, 000 by the Government for capacity building and administration purposes. This will give them teeth rather than mandate alone
- d. That each LLG be allocated K2 million from the DSIP program of K10 million and that existing processes including Ward Development Committees be used to review and monitor quarterly plans and use report cards to collect evidence
- e. Review plans and enforce the Public Finance Management Act on a quarterly basis, report on performances on Provincial and Local Level Government, LLGs and District Administration. LLG to advise system for the wards to monitor expenditure at the ward level
- f. Reports of funds, outcomes of plans must be made readily available to the public and the wards, establish independent bodies to monitor and evaluate government activities
- g. Need to have trained and qualified staff at the District level to enforce government legislation and financial requirements to avoid poor financial management in service delivery
- h. Department for Provincial & Local Government Affairs (DPLGA) to ensure that performance reports are submitted to Provincial Governments on a timely manner as per section 119 of OLPLLG 1995
- i. Department of Finance to follow up and ensure financial reports are submitted by the Provincial Government and Provincial Treasury offices on a timely manner as per section 114 on submission of provincial accounts

A GOVERNOR'S PERSPECTIVE ON CONSULTATION & PLANNING FOR DEVELOPMENT

Hon. Gary Juffa, Governor-Oro Province

Key summery points

- Bottom up planning and decisions making must be encouraged to promote active participation by all actors and discourage the top down approach
- Leaders need to be conscious of being representatives of the people and must involve people in all decisions made and represent the interest of the people in all decisions
- People need to change their mind set and demand for services and speak out on issues of corruption

Hon. Gary Juffa highlighted the political and social scenario in the country in relation to our traditional customs and values which also play crucial roles to hinder development and account for much of the corruption issues faced.

He stressed on key decisions of government designed in isolation without widely consulting citizens to reflect their needs by utilising such processes used by the CIMC. Politicians abandon the very people who mandate them and make or support policy decisions which are not in the best interest of those people. Such leaders need to be reminded of their mandate and so he envisioned that institutions like CIMC, NGOs and Civil Society, needed to make that effort to remind them.

He pointed out that the people have been victims of traditional culture where it is common practice to have respect for leaders regardless of the odds and pitfalls caused by them. But too often, this is done to the detriment of the peoples' interest because people still embrace leaders wrong doing as of part of our culture.

In foreign societies people demand change when they see corruption in the government. He pointed out that the mind set of our people had to change if they wanted to see change and create a society that will be enjoyed now and in the future. "We have to be shrewder and careful in how we think and how we deal with people and how we deal with the rest of the world."

He pointed out that the country was rich with minerals but questioned whose they were. Were they for the people of PNG or for foreigners, because most Papua New Guineans were bystanders watching while foreigners were reaping the benefits from their resources. And this was happening because those elected to represent the interest of the people were not doing that.

2013 NEW GUINEA ISLANDS REGIONAL DEVELOPMENT FORUM RECOMMENDATIONS

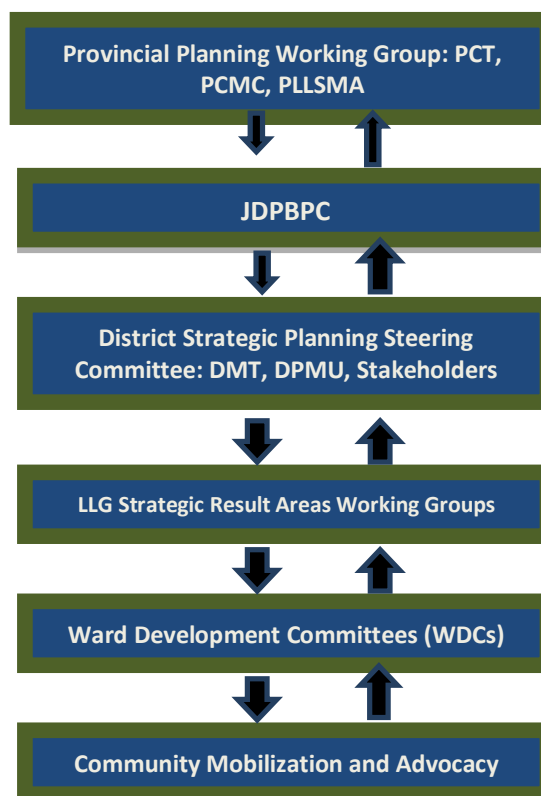
Mr John Watmalik, Planning, Monitoring and Evaluation Practitioner Peace Project Management Consultancy

Mr Watmalik highlighted the 2013 New Guinea Islands Regional Forum recommendations, which was held in Kokopo. It was attended by 119 people from the various sectors in society as illustrated by the table below.

Sector	Quantity	Number of participants
Government departments	6	13
Statutory bodies	5	8
Provincial governments	3	14
Private sector	8	17
Civil Society and churches	13	28
Academic and research institutes	3	6
Development partners	1	1
Media	3	5
Members of the public	-	27
Total		119

Participants of the New Guinea Islands Regional Development Forum saw that planning at the district level for developmental purposes is the way forward. A district development planning framework illustrating critical components of planning starting from Community mobilisation and advocacy at the LLG level and reaching up to the Provincial planning working group was envisioned as the way forward and a means of inclusive and participatory approach to development.

A planning and communication structure was proposed by the region which is illustrated.



A summary of the policy resolutions arrived at from the New Guinea Islands Regional Development Forum culminated in the following as presented by John Watmelik.

Policy resolutions

- Bottom up planning and decisions making must be encouraged to promote active participation by all actors and discredit the top down approach
- Up skill and enhance staff capacity at district levels through targeted training programs to enforce government legislation and ensure performance and transparency in public finance management and reporting on appropriate implementation and monitoring processes
- Ensure the people are involved in all facets of development including customary land registration to allow for economic benefits to drip down to the people
- Update comprehensive and realistic data for effective planning at the districts and LLGs which can translate to implementation of tangible development and service delivery in the provinces
- Build capacity at the district level to ensure budget transparency and appropriate implementation, reporting and monitoring processes
- CLRC to lead review of the OLPLLG (1995) to empower WDCs to be politically, financially, and administratively viable
- CLRC to lead review of the Town Planning Act(1952), Lands and Physical Planning Act (1989) to facilitate socio-economic development in both rural and urban LLGs
- Promote and nurture community participation and participation through mobilization and advocacy strategies
- Roll out a district monitoring and evaluation capacity building strategy in partnership with all key stakeholders
- Develop strategic alliance between district administrations and all relevant stakeholders (i.e. NGOs, Churches, Businesses, Donor Programs)
- That forums be more interactive through working group sessions rather than dominated with presentations
- That more participants within each region be invited to present case studies on their performance against national plans
- That continuous learning and improvement be implemented through the relevant provincial and district administrations
- That the forums should include an open day to showcase achievements and challenges of each province

2013 SOUTHERN REGION REGIONAL DEVELOPMENT FORUM RECOMMENDATIONS

Mr Owen Awaita, Oro Provincial Administrator

Mr Owen Awaita presented the recommendations of the participants of the 2013 CIMC Southern Regional Development Forum held from 29–30 May, 2013, at the University of Natural Resources and Environment, Popondetta Campus Hall, Oro Province.

The forum was attended by speakers from a wide range of stakeholders, including private sector, government, development partners, researchers and civil society to give their perspectives on how the districts could be revitalized to enhance effective community participation for quality and sustainable public services at that sub national level.

The table below illustrates representation by different sectors at the Forum.

Sector	Quantity	Number of participants
Government departments	3	7
Statutory bodies	3	11
Provincial governments	2	12
Private sector	7	22
Civil Society and churches	21	38
Academic and research institutes	3	10
Development partners	1	3
Media	3	5
Members of the public	-	47
Total		155

Key issues highlighted by participants during their presentations were captured to illustrate the varied needs in the different sectors of society in the region and country as a whole. The issues emitting from the Southern Regional Forum were identified and factored into certain areas.

1. Strengthening District and Local Level Government Systems for Effective Implementation of the 2013 Budget:

It was pointed out by Leme Kila from the Auditor General's Office in his presentation that a strong commitment to good financial management and accountability practices was always a challenge in PNG. There was a requirement to have robust, transparent and accountable financial management and reporting systems that can demonstrate to stakeholders that agencies tasked to deliver services can be trusted.

This view was upheld by Superintendent Victor Isouve, Provincial Police Commander of Oro highlighting that all LLG and district budgets should be incorporated into provincial budgets. LLGSIP, DSIP and PSIP should all be held under one basket so that there is proper control and coordination of every expenditure appropriated in the name of service delivery.

It was also highlighted by Ronald Maru from the Department of Trade, Commerce and Industry that

in order to create a conducive environment necessary to build a vibrant SME sector which provides business and investment opportunities for ordinary Papua New Guineans:

- The Department of Trade, Commerce and Industry must take carriage of the Informal Sector Control Act and its policy
- The Department of National Planning and Monitoring must consider funding the Provincial Business Centre concept
- All stakeholders must support the formulation and development of the proposed SME Master Plan and the Industrial Development Plan sponsored by the Department of Trade Commerce and Industry

2. Effective community participation in the development process:

The need to improve community participation in the development process and create a consultative working relationships between the wards, LLGs, districts and communities was also highlighted by Lester Seri from the Environmental Law Centre.

He hinted the need to share information in order for people to understand the planning process and to allow for transparency and accountability in any negotiation related to development projects. This should also entail proper community needs analysis and village profiling.

Similar calls were also echoed by the General Secretary of the PNG Red Cross Society, Ms Esmie Freda Sinapa highlighting the need for government to give priority to disaster preparedness and having contingency plans to counter the effects of unforeseen natural disasters. This was seconded with a call for government to immediately finalize the National Disaster Act and have it endorsed by the National Executive Council.

Ms Sinapa also sought support from provincial private sector heads to lead provincial fund appeals for disasters and through awareness programs ensure that every person in the community was empowered with necessary information and resources to be resilient in the wake of disasters.

3. Private sector contributions to enhance community participation and inclusive development:

Views were also brought forward by Tas Silock from the Milne Bay Chamber of Commerce in sharing the Milne Bay experience he said the private sector shouldn't be complacent. It should rather be proactive and innovative in forging partnerships. Partnerships not only between private sector and government but also between private sector and other non-state actors (including churches, CSOs, and kind hearted individuals).

Gabriel Nangile from BSP said the National Government's focus for 2013 'Going Rural' and Implementation,' is timely as it can leverage off existing efficiencies in service delivery channels of the BSP to achieve improved outcomes.

He called for the national government to support the bank's initiatives to "bank the unbanked" by upgrading infrastructure in the districts and LLGs, increase communication coverage, increase coverage and stability of electricity supply, improve law and order and upgrade public servants payroll system from manual cheques payment to electronic payment system.

4. Quality and sustainable public services in the districts: What matters:

Freddy Sombary from the PNG University of Natural Resources and Environment-Popondetta Campus said for quality and sustainable public services in the districts agriculture matters.

Agriculture sustains more than 85 percent of our population. It has an untapped but realizable potential to assure food security, improve cash incomes and provide comfortable livelihoods for most people in the country. It is at the centre of PNG's development agenda and should be targeted by all stakeholders.

He said government should support agriculture development by providing better infrastructure services (including roads, communication facilities, airports, schools, hospitals and shopping centers), improve working conditions (including proper accommodation, increased salaries and allowances, subsidized children's school fees and recreational leave entitlements), provide logistic support in terms of transport services, sufficient staffing capacity (including recruitment and placement of capable, well trained, and experienced and development oriented staff with good training and career path development, including quarterly performance review).

John Avira from PNG Power said electricity also matters when it comes to quality and sustainable public services in the districts. He said PNG Power is committed to roll out the rural electricity program as such funding by Department of National Planning and Monitoring for the program must continue. He said direct funding for the program through respective DSIP and PSIP is strongly encouraged. For PNG Power, forging workable partnerships is crucial. Support by locals is paramount to program success and hinted that landowner issues must be addressed by local agencies on the ground.

Recommendations

These recommendations are to form part of the recommendations to be presented to government. The recommendations from the forum are divided into three (3) key result areas as summarized below but not necessarily in their order of importance.

Making systems work effectively at the sub-national level for all to participate in:

- (a) Designing/planning
 - Coordinated awareness, information sharing and training is crucial
 - Proper community needs analysis must be done at the LLG and wards level
 - Capacity building at the LLG and ward level must be strengthened
 - There should be fair representation on ward committees (i.e. men and women) providing gender balance
 - There must be proper planning of projects at the ward and LLG level
 - LLG and district budgets must be incorporated into provincial budgets. All LLGSIP, DSIP and PSIP must be held under one basket so that there is proper control and coordination of every expenditure appropriated in the name of service delivery
- b) Monitoring and reporting to ensure that community priorities are reflected and funds are spent on activities budgeted for
 - Funding should be released every quarter to make it easier for timely acquittals so that chances of misappropriation are minimized
 - There must be physical checks on projects to ensure that projects meet procurement requirements
 - All representations at the districts and LLGs must be gender balanced
 - There must be mandatory quarterly reviews
 - MP's should NOT be chairpersons of these "money bags" (LLGSIP, DSIP, PSIP).

2. Some critical strategies that could encourage real and sustainable partnerships

(a) Government to government

- All government agencies must be involved in joint planning
- Inter-governmental communication and coordination must be significantly improved. To date it seems that most agencies don't seem to know what others are doing
- Budget design and planning must be done in a clear and understandable manner. Implementing agencies must be able to effectively facilitate and coordinate finances and other resources

(b) Government and non-state actors

- Provincial Coordination and Monitoring Committee (PCMC) representation and membership must include non-state actors
- PCMCs must hold regular dialogues to discuss pertinent development issues
- PCMCs must be strengthened with the establishment of sectoral committees comprising of both government and non-state actors

3: Some practical or priority issues that must be addressed to ensure sustainable public services at the provincial, district and LLG levels.

1. Infrastructure

- Open up roads, airstrips, and jetties where they are inexistent and maintain to good standard those that do exist but in run down state
- District offices must be maintained and upgraded with complementary facilities such as supermarket, etc with the support of business houses

2. Effective leaders

- There must be quality leadership at the district and LLG levels to ensure good governance
- Land issues must be systematically addressed so that sufficient land can be made available for development

3. Law and Order

- Village Courts must have proper offices for registry and houses for hearing cases
- There must be gender balance in the appointment of Village Court officials

4. Public Servants Capacity Building

- There must be mandatory LLG project management and technical skills training
- Basic sector services such as education, health, community development, agriculture, informal economy, etc must be reflected in the ward and LLG development plans

Key Points of Sub-Theme 6: Promoting Effective Partnerships for Enhancing Inclusive Development

The issue of addressing effective partnerships for enhancing inclusive rural development among key government agencies and civil society organizations encompassed on: Reaching out to the rural majority with banking services; empowerment of women in business entrepreneurship and training; and identifying sub-national or provincial initiatives in the education sector.

Sub-Theme 6: Resolutions

Resolution 6.1 Provision of adequate Banking Services to the rural majority

- 6.1.1 85 per cent of our people lack banking services in the rural communities. Engage and roll out banking services in partnership with banking institutions such as National Development Bank, Nationwide Micro-bank and financial inclusion approaches through the Bank of PNG and interested commercial banks

Resolution 6.2 Empowerment of Women in Business Entrepreneurship and Training

- 6.2.1 Empower women in business entrepreneurship through capacity building trainings in budget business plans; business management; leadership; governance; and seed capital support and business mentoring. This should be done through resource mobilization with the banking sector from National Development Bank, Nationwide Micro-bank, the Bank of PNG and interested commercial banks

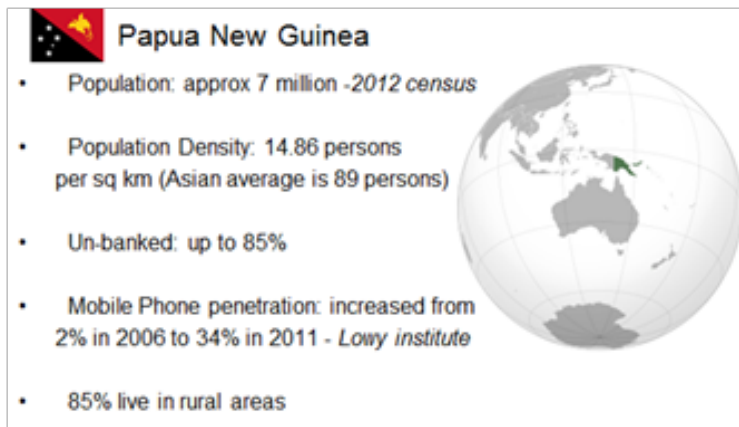
Resolution 6.3 Identifying Provincial Initiatives in Improving the Education System

- 6.3.1 Implement the Objective Based Curriculum for improving literacy and numeracy skills in all primary school grades, which will also include abolishment of elementary schools, aligning grades 7 to 8 into the high school system with maintained school facilities (libraries, science, home economics, and computer laboratories)
- 6.3.2 Regular monitoring and supervisory visits to schools by the Standards Officers for improving student academic learning and teacher performance and auditing of school finances.
- 6.3.3 Provision of regular in service professional trainings for teachers and adequate provision of teaching materials to schools on timely schedules
- 6.3.4 Encourage local community participation by empowering the board of management of schools for supporting teachers and monitoring their performances in teaching and attendance; instil discipline among the students for academic excellence and other life skills; and allowing “community work day” to involve in maintenance and cleaning of the school facilities and amenities

REACHING OUT TO THE RURAL MAJORITY WITH BANKING SERVICES

Mr Tony Westaway, Managing Director, Nationwide Micro Bank)

Mr Westaway highlighted that 85 % of our people lack banking services in the rural communities. The recent increase of mobile phone usage from 2 % in 2006 to 34 % in 2011 shows the demand for such services in rural communities. Therefore, these services need to be rolled out in partnership with banking institutions such as Nationwide Micro-bank.



WOMEN IN BUSINESS SUCCESS STORIES AT THE COMMUNITY LEVEL

Ms Gertrude Andreas, President, Jiwaka Women in Business, Jiwaka Province

Ms Andreas emphasized the importance of training in order to empower women. “My journey to become a small business women started with a training I had with the University of the South Pacific in Fiji in 1997 on community development”. “With a K50 and a sewing machine, I started sewing clothes and sold them at the local markets and the small business grew. At the same time I trained local women and men to sew.”

With this training and income from sewing clothes, Ms Andreas started a Community Women’s Resource Centre with the help of the local women and community. Through the Community Women’s Resource Centre, women received basic skills training in sewing, cooking, fish farming, rice farming, vegetable farming, raising livestock, leadership, budget, and small cash income generating activities.

Over two years, through the skills training and income generating activities, the Community Women’s Resource Centre has now been converted to a technical college. To date, over 2000 students all over PNG attend the college.



Initial Construction of the Women’s Resource Centre



Girls learning sewing and computing skills



Students all over PNG graduated in 2009. Over 2000 students have been skilled and trained.

Currently, the training centre can accommodate 200 boarding and day students per year with 15 full time and part-time academic staff, 6 Ancillary staff, and infrastructure development and facilities and equipment with an estimated value of half a million Kina and an annual income of K600, 000.

The National Training Council has approved the Centre's Competency Based Skills Training Programs since 2006 and courses taught at the technical college include business studies (accounting, management, sales and marketing, business management), computer studies, entrepreneur skills, motor mechanics, heavy equipment fitting, electrical, carpentry and construction, hospitality and tourism.

The college also provides local initiatives for micro finance and promotes a savings culture to meet their necessary needs. Achievements after basic skills training include; creation of a Micro finance or Putim na Kisim in 2001. This encourages savings for children's school fees, medical fees, build semi or permanent houses and emergency support. A small loans support mechanism has been created for mothers to borrow at a ratio of 1:2. If they saved K100.00, we gave them K200.00 to help with their Income Generating Projects". "Our Micro Finance program grew bigger so we built a new Micro Finance building, which was opened by Dame Carol Kidu as Minister for Community Development & Hon. Jamie Maxtone Graham in 2006."



Staff helping out with loans



Opening of the Microfinance Building

Initiatives developed going forward for the Jiwaka Women

Key issue in PNG is that “almost 90 per cent of businesses in the formal sector are owned by foreigners and only 10 per cent by locals. Most Papua New Guineans are involved in selling betel nut (buai), collecting bottles, running second hand clothing shops and doing street markets, while foreigners have taken over all businesses.”

The Jiwaka Women in Business has put in plans to involve in Small-Medium Enterprises activities. One of the initiatives is for women to include their husbands as business man and formed the Women in Business Club. The Women in Business Club has more than 200 prospectus women entrepreneurs who have registered to do small – medium businesses in the province; Conduct more training partnership with SBDC to upskill our Women in business entrepreneur skills.

Ms Andreas provided success stories of women entrepreneurs in the Jiwaka Province. “Women entrepreneurs have already borrowed about K2 million from the NDB bank under the Women in Business product out of the K10 million allocated by NDB for Women in 2012 and now they are doing: Real estate business, guest house & lodge, transport businesses, sawmill – timber production, wholesale, retail, service station etc. More applications are coming in for more funding for K2 million and above.”

PROVINCIAL INITIATIVE/MODEL IN THE EDUCATION SYSTEM

Frank Evans, Sandaun Provincial Education

Mr Frank Evans emphasized that the need for Education Reform Program within the Provincial and District level in Sandaun Province came about because of the abolishment of elementary education and the abolishment of the Outcome Based Education (OBE) curriculum which the national government passed as law in 2012.

Mr Evans provided a gloomy analysis of the education system in the Sandaun Province as synonymous to other provinces in PNG. “In Sandaun Province, the existing education system could be likened to a local bridge where essential structures had been “removed”. Forward progress towards any destination was impossible. Both the “bridge” (and the education system) were in need of repair or replacement as a matter of URGENT PRIORITY.”

He also identified the overwhelming low standards of education and increasing low performance of examination results both at the Grade 8 and 12 Levels in the Sandaun Province.

“The results of the 2012 grade 8 examination in Sandaun Province was alarming. 16% of the students who sat for the grade 8 examination managed to pass and 84% failed. Can these students who failed grade 8 be categorised as educated? The low standards which began in primary level were seen to continue in lower secondary (grades 9 and 10). These are demonstrated in the national grade 10 exam. Mathematics standards are now so low that in 2011, grade 10 examination, a distinction was awarded to a mark of 32/50 (64%); a credit to 24/50 (less than 50%). This was to allow 5% distinctions and 20% credits. English at grade 10 is an average.”

Mr Evans further made his analysis that “in Upper Secondary (Grade 12), the low standards are finally revealed. In 2011, the NDoE decided to introduce a new system of assessment-reporting called Criterion-Referenced Assessment. In it, grades A, B, C etc are only awarded when a specific mark is achieved. In the existing Norm-Referenced Assessment, grades A, B, C etc (or D, C, UP etc in grade 10) are awarded to a set number of students regardless of the marks obtained. It was found that, based on the 2010 grade 12 USSC exam, there would be practically no ‘A’s awarded in the whole country, and very few ‘B’s. So, the introduction of the new system was delayed.”

As Mr Evans identified, the low standards of education within PNG is due to the Elementary Education System and the Outcome Based Education system. Therefore, Mr Evans recommended for the implementation of the Objective Based Curriculum to improve literacy and numeracy skills in all primary school grades, and the abolishment of elementary schools and aligning grades 7 to 8 into the present

high school system with maintained school facilities (libraries, science, home economics, and computer laboratories).



Science Laboratory at Oksapmin High School, Sandaun Province

Sub-Theme 7: Quality and Sustainable Public Services in the Districts

Chaired by Mr Paul Barker, Executive Director, Institute of National Affairs

Having quality and sustainable public services at the district levels requires the need to address law and order issues, and removing barriers and providing opportunities for women to participate effectively in district planning and decision making and empowering the communities to take ownership of projects and programs.

Sub -Theme 7: Resolutions

Having quality and sustainable public services at the district level requires the need to address law and order issues, remove barriers and provide opportunities for women to participate effectively in district planning, decision making and empower the communities to take ownership of projects and programs.

Resolution 7.1 Empower the Village Court System

- 7.1.1 Implement the National Law and Justice policy through greater empowerment of the village court systems (including increased fortnightly payments and allowances for court magistrates and clerks) for restoring justice within the district and village levels

Resolution 7.2 Remove Barriers for Effective Participation of Women in Development

- 7.2.1 Empower women to involve in designing, planning and decision making processes of projects and programs at the district level so that district budgets are responsive to meeting the needs of women in the communities
- 7.2.2 Implement the Organic Law to integrate women's aspirations and needs in nominating women in provincial and local level governments and Ward Development Committees and the Joint District Planning and Budget Committees
- 7.2.3 Review and amend legislation that would protect women and children and CRC and CEDAW articles are enforced through PNG laws, programs and projects

Resolution 7.3 Provision of opportunities for Community Driven Development

- 7.3.1 Provide capacity building opportunities for communities at the district level in the areas of training (life skills trainings such as carpentry, life stock raising and gardening), financial subsidies and seed capital support to coffee growers, other agricultural produce such as Oil palm growers, through National Development Bank and or Nationwide Micro-bank to bridge the gap between the government service delivery and community based initiatives and innovations

LAW & ORDER - A NATIONAL PERSPECTIVE

Late Joe Kanekane, Director, Law and Justice Sector Secretariat

Late Joe Kanekane provided an analysis of the PNG criminal justice system. “Our criminal justice system is made up of the criminal justice track; so when you get into trouble with the law you face the law. So if you look at law and justice starting from arrest to corrections and reintegration, it’s all about the criminal justice track. It is only when you come into trouble with the law, that’s the only time you will meet formal law and justice and related agencies.”

Late Kanekane explained that the formal criminal justice system is sometimes appropriated through the community reconciliation process whereby communities come together to solve law and order issues. He further emphasized the importance of the Village Court system working in parallel with the formal criminal justice system. “I know such things like rape or other things have to go through trial, but that particular exercise releases the pressure in the formal system. Little confrontations back in the settlements and 90% of the time, those kinds of community meetings have a positive outcome and people go home happy. You know why, because the national law and justice policy in this country is about bestowing justice. More than that, we have a very unique legal system in this country. It’s called the village courts which the government is focused on.”

On that note he stressed that the importance of implementing the national law and justice policy through greater empowerment of the Village Court systems (including increased fortnightly payments and allowances for court magistrates and clerks) for restoring justice within the district and village levels.

Questions & Discussions

Question/Comment 1: “I have been observing that in the urban areas, towns and cities, a lot of night clubs are popping up and attract many young people to participate. Just lately, I have noticed young girls aged about 15 or less entering night clubs and one of the biggest challenges we have is not only the law enforcement aspect of monitoring those night clubs but I think part of the problem is also the lack of resources among the people in authority in the respective institutions like NCD that license these night clubs and the police that are expected to enforce these laws.”

Question/Comment 2: “new laws will look at instituting an authority or body that will comprise both the private and the government to enforce that change so we look at the liquor licensing Act to monitor night clubs in urban areas.”

Question/Comment 3: “A girl has been raped in the village and the magistrate negotiates with the girl and the family and the person who committed the crime. They come together and the magistrate calls for reconciliation through compensation. The compensation is paid to the girl’s family but the rapist is not charged so the magistrate thinks that it will be like a tribal issue not considering the emotional state of the girl and the rapist is walking freely in the village.”

Responses: (Late Joe Kanekane). “This is a difficult issue in PNG. We need to provide education and awareness about the underlying law to the magistrates in the villages. That is magistrate and any community member must report rapes to the police and brought before the district courts through the formal criminal justice system. Secondly, appoint new magistrates with legal trainings in the areas of laws in rape or the formal criminal justice system.”

BREAKING BARRIERS TO ENCOURAGE EFFECTIVE PARTICIPATION OF WOMEN IN DEVELOPMENT AT THE DISTRICT LEVEL

Ume Wainetti, National Program Coordinator-Family and Sexual Violence Action Committee, CIMC

Ms Wainetti provided an overview of the barriers that prevent women to effectively participate in development within the district and community levels in the PNG. The barriers include: languages; 40 per cent of the girls are not in school; 60 per cent of the women are illiterate and 827,500 to 1, 344, 600 children live in violent homes and are exposed to rape, kidnapping and abduction, being sold and being sodomized; 1,034,300 adolescents are at risk of sexual exploitation and abuse; unemployed and desperately poor parents with no form of social assistance sell their daughters for sexual favours. Many of these children caught up in the sex work system are extremely vulnerable and usually remain in sex work as adults. PNG has the 2nd highest maternal death rates which is over 700 women die each year.

Ms Wainetti further identified that the PNG population growth rate is very high and 68 per cent of the women are physically assaulted; 90 to 95 per cent of women in Jail are there because they have either murdered their husbands owing to other women involved with their husbands. 50 per cent marital rapes reported are sexual offence. 70 to 80 per cent of sexual offences treated and reported to police involve girls aged between 3-15 yrs. Boys that are sexually abused are aged between 5-12 yrs and child labour is increasing.

There are many important reasons for women to be involved in district planning. “So why ask women to participate in district planning?” It empowers women to involve in designing, planning and decision making processes of projects and programs at the district level so that district budgets are responsive to meeting the needs of women in the communities.

“Not only that, but implement the Organic Law to integrate women’s aspirations and needs by nominating women into provincial and local level governments and Ward Development Committees and the Joint District Planning and Budget Committees.” Review and amend legislation that would protect women and children and CRC and CEDAW articles are enforced through PNG laws, programs and projects.

Ms Wainetti concluded by stressing that removing barriers must first involve women in planning at the district level. “We must first remove our own barriers and appreciate the potential in women to harness and contribute to development.”

COMMUNITY EMPOWERING COMMUNITY

Mr Thomas Kulam, Project Manager, Domil Integrated Community Development

The key to community empowering community is based on the premise that provide capacity building opportunities for communities at the district level in the areas of training (life skills trainings such as carpentry, life stock raising and gardening), financial subsidies and seed capital support to coffee growers, other agricultural produce such as Oil palm growers, through National Development Bank and or Nationwide Micro-bank to bridge the gap between the government service delivery and community based initiatives and innovations.

Summary of Sub –Theme 8: Contributions by the Development Partners in Promoting Inclusive Rural Development

The third day of the National Development Forum focused on the contributions by development partners and donor agencies and their role in promoting inclusive rural development in the country.

The World Bank, Asian Development Bank, Australian Aid for International Development, European Union and Papua New Guinea Sustainable Development Program Limited all participated by making presentations and responding to questions.

Whilst individual organizations presented their organizational specific priorities and contributions towards development in the country, there were common issues and challenges noted and amongst them were the following:

1. Governance (improving and strengthening good governance for effective service delivery)
2. Capacity at sub-national levels (provinces and districts)
3. Public finance management systems and processes (improving financial and procurement systems)
4. Performance monitoring and accountability (mutual accountability)
5. Rural infrastructure (access roads, bridges, community water transport, schools and health centres etc)
6. Effective information and communication sharing
7. Partnership and community participation in rural development and
8. Innovation, new ways of doing business in service delivery

“The government has the money to deliver but bottlenecks in financial and procurement systems.” As highlighted by AusAID.

There is need to improve governance systems and processes, improve and strengthen capacity at the provinces and districts, spend money where it is intended for, improve basic service infrastructure, forge partnerships with communities, improve communication and always find new and effective ways of delivering goods and services to the rural people.

There is however emphasis that there are significant improvements in service delivery. The development partners are only complimenting the efforts of government. There is need for coordination and harmonization of efforts.

John Watmelik, a freelance monitoring and evaluation person, and a participant raised that “government at the provinces, districts and LLGs need to coordinate.”

AUSTRALIAN AGENCY FOR INTERNATIONAL DEVELOPMENT (AusAID)

Mr Stuart Schaefer, Head of Australian AID, AusAID

AusAID is finalizing a new strategy for supporting governance in PNG. Improving governance for improved service delivery, quality service, sustainable services, community driven services are among the priorities.

AusAID emphasized the inclusion of governance in the AusAID Program to PNG Budgets in the Provinces and Districts. Promoting good governance in PNG is arguably the most important task for PNG. Achieving good governance is most likely to result in development that is sustainable in PNG.

PNG has experienced a more than a decade economic growth but this is not translated into improved development outcomes. Increased government revenues will only translate into a more educated and healthier population if these revenues are effectively governed.

PNG Government is committed to improving service delivery. Australia is here to help the government to do that by improving accountability, transparency and effectiveness in spending.

AusAID supports better governance in PNG by focusing on the partnership for development priorities with PNG in Health and HIV, Education, transport Infrastructure and Law and Justice. AusAID's approach to development encourages community participation.

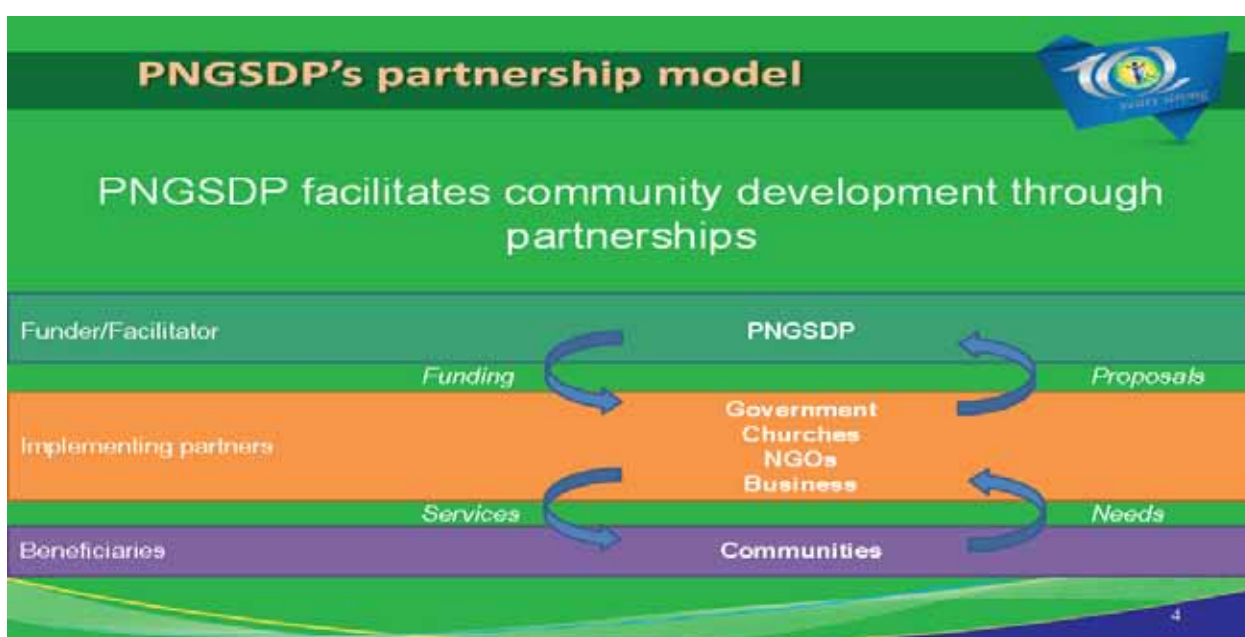


PNG SUSTAINABLE DEVELOPMENT PROGRAM (PNGSDP)

Ms Ginia Siaguru, Communications Officer, PNGSDP

PNGSDP is established by legislated agreement – the Ok Tedi Mine Continuation Ninth Supplemental Agreement Act – between the State, BHP Billiton and the affected communities in October 2001. Its purpose is to invest PNG's share (63.4 percent) of the dividends paid by Ok Tedi Mining Ltd and use the proceeds for social and economic development of the nation, especially Western Province.

It is a independent, not-for-profit trust-style company incorporated in Singapore and governed by its company rules. It also leverages PNG's investment through partnerships – government, individual communities, the private sector and NGOs and it is the Second-biggest development agency in the country, covering health, education, capacity-building, wealth-creation, infrastructure, conservation and the primary sector.



EUROPEAN UNION (EU)

Mr Peter Van Den Heuvel, EU Commission, PNG Office

The EU is supporting a Rural Economic Development Programme using an integrated approach. It aims to:

- Support the delivery of three interconnected components (rural infrastructures, micro finance, capacity building)
- To ensure maximum impact on poverty reduction up to district level
- To foster ownership and partnership development
- To support social inclusion and human development for improved sustainable agriculture and natural resources management

The program will commence by commissioning a 12 months independent feasibility study to undertake stakeholder consultations and obtain lessons learnt from past decades. The Study will focus on the three pillars of sustainable development: economic, social and environmental. In particular, it will look at capacity development to enable further leverage from government funding (DSIP), cross-cutting issues of good governance, environment and gender, and the aid effectiveness agenda.

It will be geographically focused in the highlands provinces and at district levels.

The overall objective of the Integrated Rural Economic Development Programme is to contribute to improving livelihoods of people living in rural areas of Papua New Guinea.

Programme purpose: To develop an enabling business environment in the Highland Region. Its expected results include:

- Rural infrastructures are improved
- Access to financial services for agricultural value chain
- Value chain development support services and service delivery capacity of local government

Partners and Budget for the Programme:

– Rural infrastructures	
Asian Development Bank	€18M
– Access to financial services	
UN Capital Development Fund	€6M
– Value chain development & service delivery	
NARI, DPLLGA	€6M
– Monitoring, evaluation, audit, visibility, contingencies	
Various	€2M
Total	€32M

The Paper concluded that multiple consultations with all stakeholders were undertaken and the concept was positively welcomed by all stakeholders, and there were also key challenges identified to be included as part of the implementation.

UNITED NATIONS DEVELOPMENT PROGRAM (UNDP)

Mr David McLachlan Karr, UN Resident Coordinator & UNDP Resident Representative

UNDP gave an account of a project called the ‘Provincial Capacity Building’ which is a collaborative project between Government of Papua New Guinea (GoPNG) and the UNDP.

UNDP emphasized that PNG has not done well in achieving the Millennium Development Goals and is still in the bottom quarter in terms of Global Human Development. On the UNDP Human Development Index, PNG is 143 out of 189 countries that were measured on the UNDP global Human Development Index, which is disappointing because PNG has enormous potential and riches.

UNDP identifies that the biggest structural problem was weak capacity at the provincial, district and LLG levels to manage public finances and to deliver and be accountable for the management of those finances.

Therefore the UNDP – GoPNG Capacity Development Initiative was to do a diagnostic of those bottlenecks at the provinces, districts and LLG levels and upscale the skills of our provincial administrators, districts administrators and LLG officers to be accountable to the public for the funds allocated to them.

The project was piloted in Morobe, ENB, Western, Central, Milne Bay and Eastern Highlands Provinces. The first phase has concluded and with support from AusAID, the project has moved into its second phase. The second phase will roll out into ABG, Sandaun, Gulf and Western Highlands Provinces.

Local advisers are placed in these provinces to provide capacity building support in public finance management, particularly in provincial financial reports. This is all part of reinforcing mutual accountability between the National Government and the Provincial Governments (Districts and LLGs). PNG needs to seriously address the issue of proper accountability and transparency and making sure funds are appropriately used.

Sub: Theme 9. Accessibility to Quality service and active community Participation

PARTICIPATION BY PEOPLE WITH DISABILITIES IN PROMOTING INCLUSIVE DEVELOPMENT

Ms Ipul Powaseu, President, PNG Assembly of Persons with Disabilities

Key Summary Points

- Government to recognize disability issues, challenges and constraints and take proactive approaches to accommodate and deal effectively with disability matters at all levels
- The principle of human rights and social inclusion needs to be valued to recognize and empower people with disabilities to participate fully in all development matters
- Government to set standards across all departments to develop a proper consultative process which appropriately includes all people with disabilities to be recognized in inclusive development in all sectors of society

Ms Ipul thanked the CIMC for recognizing the people with disabilities as citizens of the country. She said there was a call to civil society organizations, donor agencies and the government to recognize people living with disabilities and the CIMC forum is an important channel through which concerns of people with disabilities are raised. She stressed that people with disabilities are part of the society and should not be seen as disabled but as members of the community.

They have the birth right to be given the same recognition as anyone in whatever development accorded to all able-bodied human beings and challenged participants at the forum to practice equality.

She further emphasized that human beings were made equal but the disability of a person gives negative impression to people and when it comes to development, inclusive development is forgotten. Thus, giving more emphasis to the defects of a person and ignoring their ability, feelings, needs, wants and the suffering he or she experiences.

The president said when we say disability to the disabled, “we are saying they do not have the ability but that is not true. All people are made equal and development should be inclusive, and therefore, we should not confuse ourselves with the word inclusive development”. To that effect Ms Ipul said inclusive development is all about governance, effective service delivery and best use and allocation of resources for development.

Ms Ipul said good governance is all about society participation, legal frameworks which protect human rights, transparency and accessible information, being responsive to the needs of all including the most vulnerable, quality and inclusiveness, effective and efficient delivery and accountable to the public. “Governance is the process by which decisions are made and implemented and should promote equal participation of civil society including the marginalized groups in decision making so that decisions are not offensive to the needs of the people as well as using resources efficiently and effectively.” She said today, in reality, people with disabilities are left out with the rest of the society and are not allowed to participate equally in development.

Ms Ipul emphasised that more than one billion of the world population is people with disabilities and PNG's disability population is projected to be around 15 per cent. She said, only 1-2 percent of persons with disabilities in developing countries receive education and PNG lacks proper data to determine how many children with disabilities are in schools.

The president challenged the government to be proactive in managing the affairs of people with disabilities in a fair and equitable manner. She said the government should take proactive approaches

when dealing with disability matters at the local and the district levels. “The principle of human rights and social inclusion needs to be undertaken”. She further challenged people to include people with disabilities and their disability issues in all stages of development work. “We need to recognize specific initiatives which enable and empower people with disabilities to participate fully.”

Ms Ipul concluded by calling on the government to recognize disability issues, challenges and constraints. She said the role of government in civil inclusive development is to ensure rights and entitlements for people with disabilities are recognized. She further called on the government to set standards where people with disabilities in government led consultations across all departments, a disability voice and development of proper consultative process which actively includes all people with disability.

INITIATIVES AND PLANS FOR ACTIVE PARTICIPATION OF YOUTH OF PAPUA NEW GUINEA

Mr Norit Luio, Commissioner, National Youth Commission

Key Summary Points

- Establish a National Youth Development Institute as a home for the youth of PNG and a base for program delivery
- The government must pro actively coordinate education and training and support programs through a coordinated National Youth Policy to empower and motivate youths and to overcome youth issues in PNG and raise youth productivity levels
- Identify youth leaders in provinces and implement a “train the trainer” program in their own communities to minimize the increasing number of underdeveloped youths in the country

Mr Luio in making a joint presentation acknowledged the efforts of the O’Neill/Dion government for recognizing the National Youth Commission office and tasking the Commission to find a way suitable to address associated problems of youth unemployment, poverty, and violence and crime in the country. With great support from the current government he said the Commission had already developed a plan called “Personal Youth Development Institute” to address the ongoing youth issues in the country. To start the project he said they are looking at establishing the institute in NCD and then roll it out to all provinces and districts of PNG.

Youth in PNG

Mr Luio said majority of the population of PNG is aged 20 or younger. PNG has a huge and enormous underdeveloped youth population and because of that the country is continuously facing youth issues and challenges. He expressed concern that, to overcome youth issues in PNG, the government must be more proactive to look at ways that will empower and motivate the youths. He stressed that having a more coordinated youth policy is very important in dealing with youth issues.

The Problem for youth in PNG

Mr Luio said there has been an ongoing lack of government coordination of education and training, and other support programs. He said the lack of government coordination is a major factor that contributed a lot to the problems of youth issue in PNG. He further expressed that no program was available to absorb the increasing number of annual drop outs. “Each year 80,000 students leave school but only 10, 000 find jobs, where do the rest go?”

Cost of PNG is significant

With increasing youth issues Mr Luio said it had caused PNG’s productivity level to fall, put a strain on health and welfare systems, increased expenditure on law & order and the justice system, impacted on investor confidence, and under utilization of youth as a driving force for the future. “Youth development program has never been attended to by the PNG Government for too long and that has had many negative impacts in the development of the country, thus holding back development.”

The National Youth Commission (NYC)

Mr Luio stated that the NYC is a government established institution set up to write and coordinate policy development, planning, monitoring and evaluate on matters pertaining to youth. The NYC’s role also is to provide policy and technical advice to the national or provincial government on youth matters and to identify and provide training for employees of government or NGOs to enable youth to participate in meaningful activities at all levels.

The Plan

Mr Luio said they have already formulated a plan to implement the agreed National Youth Policy and the key element of the plan is to create a central national focus (a home) for all Youth activities. This Plan aims to centrally coordinate all youth programs and activities across PNG with delivery agencies identifying and selecting youth leaders throughout PNG and implement a “train the trainer” program to have the trained youth leaders conduct further training programs in their own communities. The National Youth Development Institute will become a revenue generating source to fund program delivery, and to create a home for the Youth of PNG.

Steps to Achieve the Plan

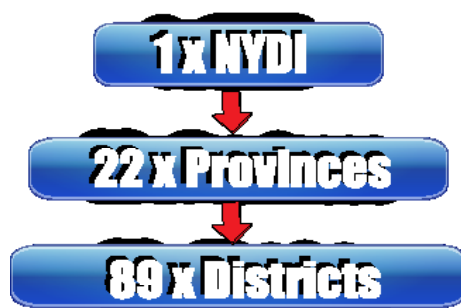
1: Establish a National Youth Institute.

The main purposes of the institute are to:

- Function as a national focus for youth in PNG
- Provide training areas for the students (youth) and be a haven for the youth
- Provide accommodation for the students during their programs and secure additional space for commercial office lease and growth of SMEs

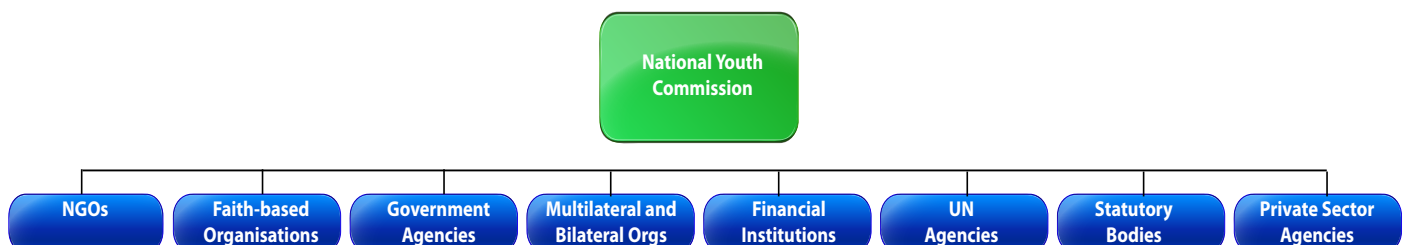
2: Enter agreements with Provincial Governments

He said the second important step is to enter into agreements with the provincial governments as illustrated below.



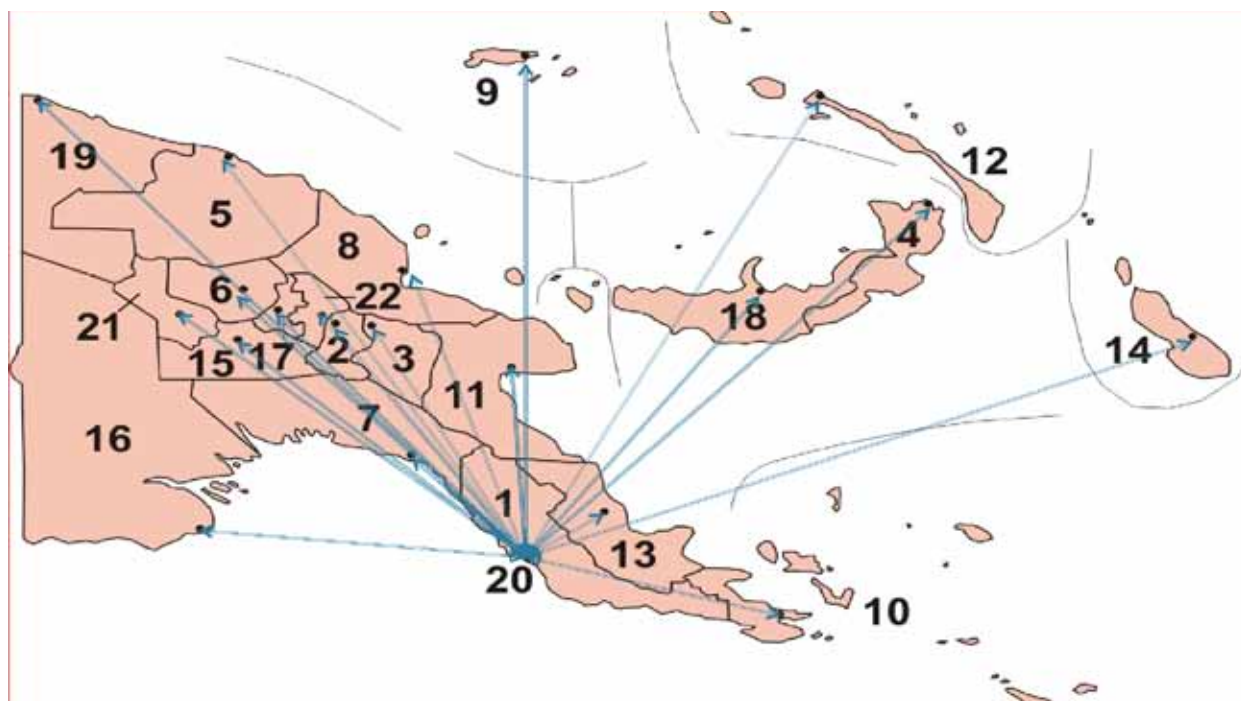
3: Establish agreements with the NGOs and delivery agencies

Mr Luio said the third most important achievement plan of the institution is to establish agreements with the NGOs and delivery Agencies.



Step 4: Identify and select Youth Leaders for training programs

22 Provinces linked to the NYDI



5: Implement the Youth Leader Training Programs

Mr Luio stressed that implementation will be the fifth and the final step of the Commission which will be undertaken through a youth leader training program. The implementation schedule is depicted below.

NYDI
12 sessions x 44 students = 528 leaders per year
↓
Provinces
10 sessions x 40 students = 4,000 leaders per year
Total New Leaders per year = 4,528

Conclusion

In concluding, Mr Luio said the NYC cannot achieve the plan without partnership, collaboration and networking. He emphasized the need for partnership “we need to partner with the local MPs and the provincial governors and of course the NGOs and the support of the stakeholders, the CBOs and the Civil Society Organizations.”

NATIONAL BROADCASTING CORPORATION–PROMOTING EFFECTIVE SERVICE DELIVERY & INCLUSIVE DEVELOPMENT THROUGH MEDIA

Mr Memafu Kapera, Managing Director, National Broadcasting Commission

Key Summery Point

- Government must recognize the potential of the media (NBC) as a vital and strategic development partner and should fully fund NBC's operations through annual budget appropriations to enable it to support the development aspirations of the country

Mr Kapera acknowledged the participants and said the CIMC forum is very important in the government decision making process as it brings everyone together to talk about development issues, challenges, plans and programs of the country. He emphasized that the NBC was part of the 2013 consultative forum and has been tasked with the topic of, promoting effective service delivery & inclusive development through Media. Mr Kapera commented on the importance of the media and said the quality of the government is measured by the quality of its media.

Facts about NBC

The NBC is a state owned institution and is mandated to operate under the Corporation Act 1973 and funded annually through the Annual National Budget. He alluded that there is a plan in place to roll out the NBC radio and the television services but will depend on funding commitment through the annual budget and internal revenue.

NBC objectives

The NBC's objective is to operate day to day a national radio and national television services. The Commission already has national radio signal available in 19 provinces and had plans to roll out national television services to 11 provinces and 7 districts.

Challenges

He further stated that the lack of electricity in most remote and rural areas of PNG is one of the biggest challenges in delivering commutation services to the people. He said alternative power needs to be sourced to bring its radio and television services to the people. Mr Kapera further emphasized that radio is portable and easily accessible as battery is available in shops and trade stores across the country. However, he said the priority now is to provide and distribute wind-up radios to remote and the rural areas of PNG.



The NBC and service delivery

Mr Kapera said, the NBC provincial stations report and stories over the next few months will be based on specific important areas like transparency and accountability, rule of law, regulatory quality, corruption, issues of political stability, government and corporate governance.

Provinces with NBC Service Delivery Challenge

Mr Kapera announced the districts that have service delivery challenges which include: Karimui Nomane (Simbu), Maramuni (Enga), Kairuki-Hiri (Central), Yangis (Enga), Balimo (Western) and Komiok Island (East New Britain).

NBC Future plans

In announcing the future plans of NBC, Mr Kapera said that one of the major plans of the Commission is to meet the International Telecommunication Union Global Digital Migration time line. The next important plan is Kits Broadcasting that is reaching out to remote and rural areas in PNG. He said the third important plan is to reform NBC and its infrastructure development.

The NBC's 2030 deliverables are: "100 per cent of population with access to radio and telecommunication services. The identified NBC service delivery plans include Provincial and District rollout of radio and television services. National youth radio station and Tribe FM.

NBC Development Agenda

- ☐ To enable 100 per cent access by the population of its radio and television services by year 2030
- ☐ Provincial radios in 19 Provinces
- ☐ National radio in 19 provinces and 89 districts

Conclusion

Mr Kapera concluded that the NBCs development agenda is to enable 100 per cent access by the population. To meet the information need, the NBC needs to be adequately funded each year to deliver its strategic objective. Information and communication is a vital strategic development agenda and is the bridge between the government and its people.



THE DOMIL COMMUNITY INTEGRATED DEVELOPMENT EXPERIENCE

Mr Thomas Kulam, Project Manager

Key Message: The key to community empowering community is based on the premise that it provides capacity building opportunities for communities at the district level in the areas of training (life skills trainings such as carpentry, livestock raising and gardening), financial subsidies and seed capital support to coffee growers, and other agricultural produce such as oil palm through National Development Bank and or other financial institutions to bridge the gap between government service delivery and community based initiatives and innovations.

Mr Kulam congratulated CIMC for inviting him to make a presentation on Domil Integrated Community Development Initiative. He said the Domil Community Integrated Development is a initiative by the people. He emphasised that the role of the government is to provide and protect its people but it is hardly seen and there is continuous development gap. He said the main purpose of creating Domil Community Integrated Development was to bridge the development gap, especially for the benefit of the Domil community.

Eighty seven per cent of Domil & PNG population is rural based and people survive on subsistence farming (Idle land & labour with agriculture experience)



Idle Resources Untapped by Government

Mr Kulam said, Papua New Guinea has huge resources in the form of an idle labour force, customary land, manual labour and traditional farming but are untapped by the Government for service delivery and rural development.

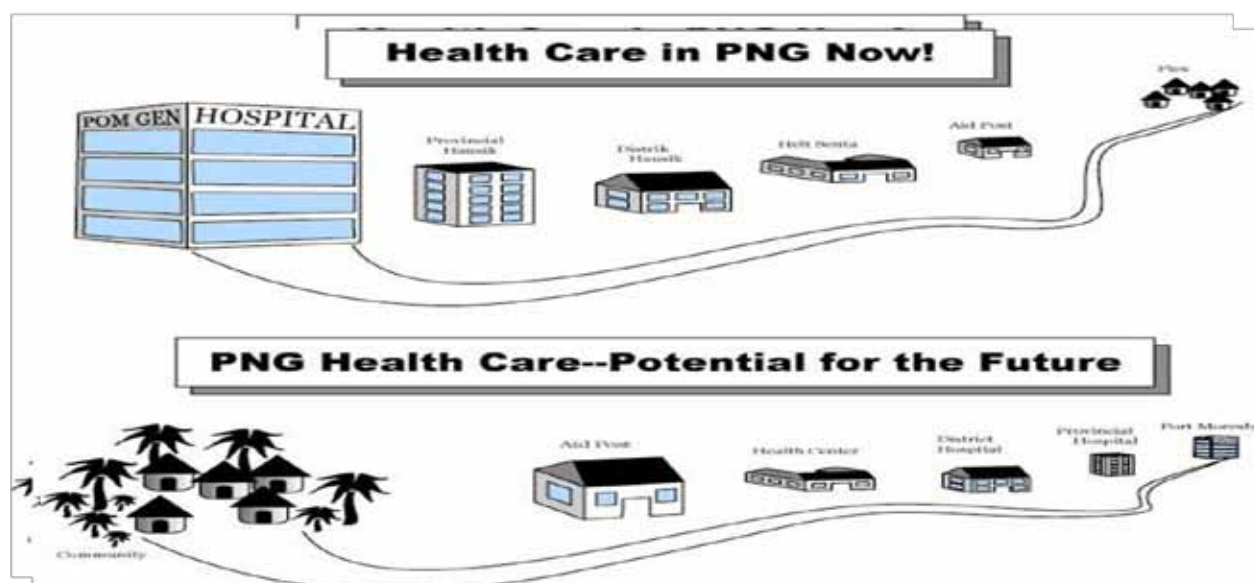
PNG Rural Population appears to be on the Cross Roads, in Danger and Urgently Need Direction.

Mr Kulam said most of the rural populations in PNG are semi or uneducated and live a life through subsistence farming. He described life in rural PNG as being challenged by the introduction of technology, and people live improvised lives with no source of income. Illustration of local (rural) Papua New Guinean at the crossroads.



Bottle Neck in the Top down Structured System of Service

THERE IS BOTTLE NECK IN THE TOP DOWN STRUCTURED SYSTEM OF SERVICE DELIVERY



ICHD's VISION FOR PNG :

**A BALANCED HEALTHY, WEALTHY, PROSPEROUS
HAPPY SOCIETY**



Intergrated Community Health and Development (ICHD) Strategies

In a move to improving the living standard for the Domil community Mr Kulam said their strategic plans are social mobilisation, skill training, productivity, wealth creation, environment, and develop people within their own community. He emphasised that the Domil Integrated Community Development has greater plans and strategies to help improve their living standards as a self-help initiative rather than waiting for the government. He said the more we wait the more we suffer.

Social Mobilisation

Practically Mr Kulam said they have an established community Government (one stop shop) which caters for ward development committees, the village court, clinic, bank, all departments, youth meetings, multi-church meetings and also registered farmers under a cooperative society group.



Community based Resource Training Centre used as a skills training centre for youth and mothers programs



Women training centre



Mini mill for downstream processing of cassava and chicken feed processing



Skills training (NARI training has improved varieties and yield (Farmers need basic training in Domil Resource Centre)

Measuring General Impact in the Domil Community

In terms of Domil's impact measuring Mr Kulam said they have a strong community government overseeing community development. "We have 10 church denominations in Domil that have sponsored one youth to missions training, an agent for NDB & BSP rural bank (200 operate with kundu cards, have NDB in District, 32 families received loans from NDB & 70 awaiting, 10 trade stores & 2 clubs operating in Domil, 5 x 15 seater buses owned by families, out of 250 houses, 50 have corrugated iron roofing all built by local carpenters and use of poultry bi-products to grow food has improved nutrition & soil fertility"

Opportunities

- ☐ Bottom up service delivery – other LLG wards & communities to adopt our concept & implement gov't Vision 2050 focus for community development
- ☐ Educate bulk of the population to be purposeful (breakdown their individual values, beliefs & attitudes to be meaningful in their lives & communities

Conclusion

In his conclusion Mr Kulam said with delivery of basic government services lacking in all quarters, the Domil community program empowers rural communities to provide their own solutions as a vehicle for healthy, peaceful, holistic and productive lifestyles.

Key Summary points

- The government through its relevant line agencies should take full ownership of home grown, research proven and tested development models such as the Domil model to empower people and allow for complete participatory development at all levels of society
- Home grown development models add value through blending of traditional farming methods with science & technology through training empowerment
- Wealth creation and economic based empowerment of rural population for participation in sustainable development at the community level

CLOSING ADDRESS

Ambassador Michael Mauwe, (former) Secretary for Foreign Affairs and Trade

Representatives of government, Heads of Diplomatic Corps, Heads of Missions, Development Partners, leaders of Business Community, Civil Society Organizations and Churches, Representatives of Provinces, Ladies and Gentlemen..

I want to thank you all for your dedicated attendance and participation in the 2013 CIMC National Development Forum. I hope that you all appreciated and valued the sessions and discussions over the three (3) days.

I must say that I found the sessions today, and the last two (2) days to be very real, critical and constructive, in that our own experiences and collective views were exchanged, challenges and constraints were identified, and a positive and systematic approach towards addressing service delivery will now be pursued.

As highlighted by the Deputy Prime Minister in his keynote address, the theme of this year's development forum on "Revitalizing the Districts of Papua New Guinea: Achieving effective community participation for quality and sustainable public services in the districts; is timely and consistent with the current government's policy direction of service delivery into rural communities.

The government this year for the first time in many years has allocated more than 51 percent (%) of the nation's budget for the provinces, districts and local level governments. Government seriously wants to see services delivered to the people, and people must ensure services are delivered.

As we all note, service delivery in Papua New Guinea is very important but still remains a challenge. Our people are still struggling daily to access basic essential services. We have heard the experiences and struggle our people face both in trying to access services as well as attempting to deliver for themselves some of these needed services.

Where the government cannot deliver services, churches and NGOs have emerged and ensured services were provided to the people. Our development partners have also provided much needed financial support to ensure services continued to be provided to the people of Papua New Guinea. And we value their undivided support and continued partnership.

Ladies and gentlemen, our collective discussions over the 3 days have enlightened us on the issues and challenges of service delivery in the provinces, districts and rural communities.

As we draw close to this important development forum, I would like to note some key issues and challenges of service delivery and the way forward.

- Quality and sustainable public services in the provinces and districts including LLGs
- Enabling policy & legislative framework to quality service delivery
- Effective Community participation in the development process
- Good governance, transparency and accountability in government systems and processes
- Responding to the needs of most vulnerable people such as women and children and disabled
- Participatory and accessible information
- Strengthening law and order mechanisms, such as village courts

Achieving participatory development in service delivery remains a daunting task; however, I must remind you all that we have survived as a nation for 37 years. Therefore, we must build on from our strengths and look ahead of a future with confidence and determination.

On behalf of all of you who are here today, let me take this time to thank the CIMC for providing this very important yet unique opportunity for us all to come together to recognize, accept, appreciate and understand our development issues and challenges and of course deliberate on the way forward. The road ahead is not easy, but let us make the journey together.

Let me also thank the Minister for National Planning and Monitoring, and Chairman of the CIMC for recognising and providing the leadership for CIMC, and especially in ensuring that the previous development forums' recommendations tabled at National Executive Council (NEC), and received unanimous support, acceptance and endorsement from the NEC, and wish him well in his parliamentary statement. We also hope and pray that the recommendations of this year's development forums are reflected in the 2014 budget and onwards.

Above all, I would like to extend my sincere gratitude to all of you, without whom, the development forums this year would not be a success.

For those of you who will be travelling back to the provinces, I wish you safe travel. I now officially close the 2013 CIMC National Development Forum.

Part Two (2)

Key recommendations and progress reports of the nine (9) sectoral committees.

The CIMC's main dialogue mechanisms that maintain its role are facilitated through its various Sectoral Committees. There are nine (9) sectoral committees operating effectively at present. In addition the CIMC has provided a desk and made a staff available for the newly established CSO – Government Partnership Initiative. The Sectoral Committees provide a vital platform for various sector representatives and interest groups from government, civil society and the private sector to come together regularly to discuss pressing sectoral issues and develop strategies to address them. These committees include; Agriculture, Natural Resource & Environment; Informal Economy; Law & Order; Transport & Infrastructure; Commerce & Services; Family & Sexual Violence; Health, Population & HIV/AIDS; Education & Training; and Budget Tracking.

1. **Agriculture, Natural Resources & Environment**

This Committee's primary role is to bring all sector players together to deliberate on key issues affecting the sector and make recommendations to government for consideration.

Since 2013, the Agriculture Sectoral Committee has been pursuing a number of issues advocating mainly for improvement in the way the sector has been managed. Among these include the call for reviewing the sector and its delivery mechanisms with a view to improving coordination, management, communication and other aspects so that sector policies and plans developed and implemented are responsive to the needs of all farmers. Key recommendations that were on the agenda recently are:

- The call for sector recognition and support at the highest government level including reviewing of existing delivery mechanisms so that there is improvement in the way the sector has been operating and;
- The functional and expenditure review of the commodity boards and other sectors being undertaken currently, particularly addressing the conflict of interest that exists with the composition of the Review Steering Committee, which could defeat the purpose of the Review if not addressed promptly.



2. **Informal Economy**

The Informal Economy Sectoral Committee composed of sector players similarly maintains regular consultations with parties concerned in order to promote and develop the informal economy in the country. It is chaired by the Secretary for the Department of Community Development and Religion.

In 2013, its main focus was on ensuring the implementation of the National Informal Economy Policy 2011 – 2015 and the Review of the existing National Informal Economy Development & Control Act 2004. The review is being undertaken by the Constitutional Law Reform Commission (CLRC) and will continue into 2014. It has also set up the Public Goods and Services and Financial Inclusion sub-committees in order to facilitate the implementation process of the Policy. Amongst numerous activities

undertaken, the Committee partnered with the Central Bank along with other financial service providers to host the annual National Financial Inclusion Expo in Lae last year and in early December this year in Port Moresby. It has also conducted provincial awareness workshops on the Policy in a number of selected provinces.

The Committee's important recommendations submitted to government seeking its support include:

- Instructing the Department for Community Development to take ownership of the implementation of the policy and the review of the Informal Economy Development & Control Act 2004.
- Re-committing a K2, 050,000.00 which was approved by Cabinet in 2010 by the NEC Decision # 172/2010 for operational expenses and implementation of the Policy, as it is yet to be delivered.



3. Law & Order

The Law and Order Sectoral Committee under the Chairmanship of Mr Graham Ainui, the Executive Officer of the PNG Rural Industries Council has worked on a number of initiatives, mostly monitoring the implementation of the initiatives by various law & justice sector agencies in the country. Some of the important initiatives that are being discussed and advocated for implementation by sector stakeholders include; urging the government to pass the Independent Commission Against Corruption (ICAC) Bill and endorse the National Anti Corruption Strategy for implementation; the National Security Policy to be fast tracked, provide adequate resources for full implementation of the recommendations of the 2004 Guns Control and Police Review Reports; and fast track the review of the Security Industry Act 2004 with a view to confer adequate powers to regulate, protect and develop the industry.

In 2013, the Committee submitted the following priority recommendations for consideration by Government:

- Instruct Task Force Sweep to implement the National Anti-Corruption Strategy and document the activities being implemented.
- Government to adequately resource the Financial Intelligence Unit (FIU) to effectively play its functions. Currently, it is severely under resourced.
- Government to equate the ratio of Police to number of people considering the significant population increase.
- Government to facilitate the implementation of the UN Rapporteur on Torture Report and improve conditions of detention in PNG.



4. Transport & Infrastructure

The CIMC Transport and Infrastructure Sectoral Committee had been chaired by Mr PaeGure of GureKuleKonsultants for over seven years until late last year when he nominated Mr Chey Scovell, Chief Executive Officer of the PNG Manufacturers' Council to take charge.

Amongst many activities the Committee had undertaken during the year, the main activity was hosting of the two- day National Aviation Conference which was funded by the Government as part of the CIMC's annual operational budget. It was facilitated by the CIMC and was focussed on developing important interventions to improve conditions of rural airstrips and restore services to the rural areas of PNG.



Key Outcome of the National Aviation Conference

The key outcome was calling on Government to establish a Rural Airstrips Maintenance Agency to be administered and managed by an existing service provider in the aviation sector under an interim arrangement using the Public-Private Partnership Concept. It advised that the Body must be comprised of government, private sector and community representatives to ensure transparency and accountability so that its intentions are achieved. Subsequently, Cabinet endorsed a submission that sought the transfer of a K6 million from the Department of Transport to the new entity to commence the process late last year. An Agreement was signed between all participating stakeholders in the private sector, civil society and the government that were invited to form the governing body.



Other important recommendations submitted to government by the Committee include:

- Government to revive provincial transport boards (PTBs) to ensure there is continuous presence of government undertaking maintenance on the roads.
- Government to ensure that logging companies and others work in partnership with Provincial Works Managers when building roads in the communities to ensure standards are complied with and environmental damage is minimised.
- Government to provide assistance to local contractors to build up their capacity through the Small to Medium Enterprise (SME) Stimulus Package.
- Government to develop a National Infrastructure Maintenance Strategy to be led by the Department of Works.
- Government to fast track the endorsement of the findings of the Review Report on the Coastal Shipping Industry by ICC.

- Parliament to pass the proposed Protection of Transport Infrastructure Bill 2010 immediately.
- National Government to withdraw the functions of maintaining rural airstrips from Provincial Governments and allocate adequate funding from recurrent budget to cater for the needs of both the rural airstrips and the third level airline operators such as MAF to continue servicing the rural populous.



5. Commerce & Services

The Committee was chaired by the President of the Business Council of PNG, Mr Ernie Gangloff and was recently taken over by Mr David Touahas as the new President. The main message advocated by the Committee was that it is important to maintain existing high level dialogue especially through the activities of the National Working Group on impediments to businesses in order to promote PNG's long term economic growth. The private sector can only thrive and create employment opportunities when the environment in which it operates is conducive for sustainable growth.

Its 2013 priority recommendations to Government are:

- Government to fast track the finalisation and endorsement of the Private Sector Growth Strategy.
- Government to undertake a comprehensive review into the cost of doing business in PNG as costs affect all businesses ranging from SMEs to multi-national entities. However, the impact on SMEs is far greater than big businesses, and therefore it is important to assess and identify cost components. Main cost areas include electricity, infrastructure (especially transport), Law and Order issues, and government procurement practices.
- The government, especially Ministry of Trade, Commerce & Industry to encourage the wider public, particularly the private sector to provide input into the SME Policy development and defining SME.



6. Family & Sexual Violence Action Committee (FSVAC)

The FSVAC has been chaired by Professor Lawrence Kalinoe, the Secretary of the Department of Attorney General. The main thrust of the Committee is to work towards reducing the occurrence and suffering caused by physical, sexual and psychological violence especially between family members in the home environment. It has been implementing its five year Long Term Strategy since 2002 and achieved numerous outcomes, including the establishment of family support centres in all district and provincial hospitals throughout the country. It has also created welfare positions to provide services in those centres in partnership with the Department of Health and development partners.

The Long Term Strategy was reviewed in 2009 which resulted in a revised National Strategy to combat Family & Sexual Violence. To date, this Strategy is yet to be adopted, endorsed and provided the necessary support for its effective implementation by Government so that the Committee's work reaches the next level. Its recommendations to Government in 2013 are:

- The National Family and Sexual Violence Strategy be recognised, adopted and supported by Government as a national response to family & sexual violence;
- The National Government makes a commitment to reduce such violence by giving budgetary support to the FSVAC for it to establish services for survivors and perpetrators of family and sexual violence.



7. Health, Population & HIV/AIDS,

The Health, Population & HIV/AIDS Sectoral Committee was established in 1999 and has been chaired by the Secretaries of the National Department of Health. Similar to the roles of other Sectoral Committees under the CIMC, this Committee coordinates public dialogue between government, private sector and the civil society to deliberate on issues affecting the sector and develop strategies to address them. One of its core roles is to monitor the development and implementation of key policies and plans of the Health Sector. In 2012, the theme of the CIMC annual development forums was focussed on health & education sectors which resulted in over fifty (50) recommendations made to government. These recommendations were endorsed by the Cabinet (NEC Dec No. 151/2013) in May 2013. The Committee has been working closely with the National Department of Health and other relevant agencies to monitor the implementation of these recommendations.

Among the many recommendations endorsed, the most significant are that Government:

- Supports existing initiatives that aim to strengthen management and coordination from the national, provincial, district to LLGs, such as fast tracking of the set up of Provincial Health Authorities.
- Strengthen capacity along the service delivery channels including developing a human resource plan which can address the aging workforce in the health sector. This also includes reviewing existing working conditions with a view to improving them.
- Strengthen and improve communication network for important health messages to reach the remotest areas of PNG.
- Improve transport infrastructure in the districts and LLGs for effective health service delivery.
- Strengthen and encourage key stakeholders to participate in the delivery of services at all levels importantly including the communities to take ownership of health facilities.



8. Education & Training

The Education Sectoral Committee was recently established to monitor the 2012 CIMC annual Development Forums Recommendations which were generated under the theme “Improving Accessibility to Quality Health & Education services”. Its other roles will include facilitating an ongoing dialogue for sectoral stakeholders to provide feedback on the current government’s sector policy priorities, especially from the non state sector (private sector & civil society).

Some key recommendations generated in the 2012 annual development forums for the education sector which were subsequently endorsed by Cabinet in its NEC Decision No. 151/2013 are:

- Review and improve the capacity of the service delivery channel from national to LLGs, in terms of conditions of employment for all teachers, communication (provincial public libraries, educational TV programs, internet), plans to address shortage of staff, monitoring standards and quality, refresher training for teachers, and so on.
- Improve and maintain infrastructure, especially classrooms to cater for increasing number of children entering school, teachers housing, boarding houses, and utilities like water & sanitation, and electricity.
- Encourage and build partnerships with parents, teachers, school boards and the community to support and sustain educational institutions.
- Ensure free education policy is sustainable in the long term.
- The National Department of Education to consider each of the recommendations produced by the National Research Institute led consultation on ‘Inaugural National Conference on Universal Basic Education’ which was then presented at the 2012 CIMC National Development Forum.
- Encourage set up of community colleges and other relevant institutions to cater for citizens who are out of the formal education system.



9. Budget Sectoral Committee

The Budget Sectoral Committee is a recently established Committee. It is chaired by the Secretary of the Department of Finance alternating with the Secretary of the Department of Treasury. Its main purpose is two pronged. Firstly, to advocate for budget transparency at all levels of government, including discussing important budgetary initiatives/policies and provide collective feedback with a view to improve existing systems and processes or design new initiatives for effective flow of service delivery.

Secondly, it conducts basic budget information seminars in the districts which aim to empower citizens with key budget information and basic education on the service delivery and budgetary processes so that they monitor public expenditure in their local communities.

The establishment of this Committee resulted from the CIMC’s three year theme “Opening Up the Budget Process’ from 2005 – 2007 of the annual development forums. One of the key concerns raised in those forums was that there was significant information gap in the communities on the budget and service delivery systems resulting in initiation of the District Budget Advocacy Program. The first workshop was conducted in 2010 and since then, it has conducted six (6) in different districts and provinces. It is funded by the Government of PNG and AusAID. It has come to be an activity that is highly demanded and the CIMC plans to conduct four (4) seminars annually if funding permits. CIMC had deferred two (2) of the planned seminars for 2013 to 2014 due to limited financial support.

Its key recommendations to Government in 2013 include:

- Government to provide financial support for the expansion of the district budget information seminars;

- Government to make available key budget information to the public including the CIMC to disseminate through its district information seminars as well as for the public's information and understanding.



10. State – Civil Society Organisations (CSOs) Partnership Initiative

State - Civil Society Partnership is a Government Initiative through the Department of National Planning and Monitoring (DNPM). A Partnership Agreement and Policy were developed and signed between peak civil society bodies and the Government in Port Moresby on the 1st of May 2010. The Government's intention behind this was to engage and partner with CSOs to deliver development services. However, it has never been implemented by successive governments. The idea for government to recognize the development efforts of CSOs was again echoed by CSOs that attended the 2012 CIMC Development Forum in Alotau. The Government was very supportive of the idea and responded by engaging CIMC to facilitate a State-Civil Society consultative workshop to initiate the process.

A two day State- Civil Society Consultative Workshop held in Lae in November 2012 resulted in establishing a National Technical Working Group, comprised of key government agencies including the Department of National Planning & Monitoring, the Department for Community Development, civil society peak bodies and facilitated by the CIMC to ensure that recommendations generated from the workshop are implemented.

The Technical Working Group has been meeting regularly in 2013 to develop activity plans and facilitate implementation of the recommendations. One of the main activities it executed was the development of a budget submission to secure funding commencing 2014 to start the development of a partnership. The TWG now is revisiting the 2010 Partnership Policy which would inform the new partnership.

Key recommendations that were developed from the workshop include:

- Government to take ownership of the reviewing of the existing policy and develop a new partnership that is inclusive, transparent and specific to the needs of the different sector civil society organisations.
- Government to provide financial support starting 2014 to ensure a new partnership is developed.
- Government to recognise civil society as an important development partner as they continuously contribute to the development of the country through ensuring supportive policies and laws as well as providing the necessary resources to continue their work.
- The current Tripartite National Technical Working Group to be chaired by the Secretary for Department of National Planning & Monitoring.

Appendix 1: Forum program

NATIONAL DEVELOPMENT FORUM

26- 28th June 2013

State Function Room, Parliament House, Port Moresby

THEME: “REVITALISING THE DISTRICTS OF PAPUA NEW GUINEA: ACHIEVING EFFECTIVE COMMUNITY PARTICIPATION FOR QUALITY & SUSTAINABLE PUBLIC SERVICES IN THE DISTRICTS”

Tentative Program

Day One – Wednesday 26th June 2013

TIME	ACTIVITY
8.00 – 8.50 am	REGISTRATION
SESSION 1	Chairperson: Mr David Sode, Chief Executive Officer, PNG Sustainable Program
9.30 – 9.45	OPENING PRAYER Rt. Reverend Bernard Siai, Moderator, United Church of Papua New Guinea
9.45 – 9.55	NATIONAL ANTHEM AND PLEDGE Wards Strip Demonstration School
9.55 – 10.05	WELCOME ADDRESS & PURPOSE OF FORUM Mrs. Wallis Yakam, Executive Officer, CIMC
10.05 – 11.00	OPENING ADDRESS Hon. Charles Abel, MP, Minister for National Planning & Rural Development, and Chairman of CIMC
11.00 – 12.15	Morning Tea
11.15 – 11.45	KEYNOTE ADDRESS: UPDATES ON ACHIEVING 2013 AS THE YEAR OF IMPLEMENTATION Hon. Leo Dion, MP, Deputy Prime Minister of Papua New Guinea
11.45 – 12.05	INDEPENDENT PERSPECTIVE: Practical Statement on Capacity of the Public Sector to reform and achieving quality services at the district level. Mr Ernie Gangloff, President, Business Council of PNG
SESSION 2	Chairperson: Mr David Sode, Chief Executive Officer, PNG Sustainable Development Program Sub-Theme 1: Conducive Environment for Achieving Objectives of 2013 Budget & Promoting Inclusive Development
12.05 – 12.25	OVERVIEW AND PROGRESS ON 2013 BUDGET IMPLEMENTATION Mr Manu Momo, First Assistant Secretary, Policy, Department of Treasury
12.25 – 12.45	ECONOMIC OUTLOOK FOR 2013 & 2014, AND ITS IMPLICATIONS ON PROVISION OF QUALITY SERVICES IN THE DISTRICTS Dr. Gae Kauzi, Bank of Papua New Guinea
12.45 – 1.05	PROGRESS ON ALIGNING PROVINCIAL, DISTRICT, LLG & WARD PLANS TO THE ALOTAU ACCORD & 2013 BUDGET FOR INCLUSIVE RURAL DEVELOPMENT Mr Joe Kapa, Deputy Secretary, Department of National Planning and Monitoring
	DISCUSSIONS AND RECOMMENDATIONS

1.20 – 2.00	Lunch
SESSION 3	Chairperson: Dame Carol Kidu, Senior States Woman Sub Theme 2: Strengthening Districts and Local Level Government Systems to promote Accountability and Transparency
2.00 – 2.20	ENSURING EFFECTIVE PUBLIC ACCOUNTABILITY SYSTEMS & PROCESSES TO ACHIEVE CURRENT GOVERNMENT'S FOCUS – CHALLENGES & ISSUES Mr Philip Nauga, Auditor General, Office of the Auditor General
2.20 – 2.40	SOCIAL AUDITING TO ENCOURAGE INCLUSIVE RURAL DEVELOPMENT Ms Elizabeth Avaia, Senior Project Officer, CIMC
2.40– 3.00	THE OPEN PARLIAMENT INITIATIVE Mr John Varey, Project Manager, Open Parliament Initiative, Transparency International PNG
3.00– 3.20	DISCUSSIONS & RECOMMENDATIONS
3.20 – 3.40	Afternoon Tea
SESSION 4	Chairperson: Sub-Theme 3: Conducive Environment for Enhanced Community Participation and Inclusive Development
3. 40–4.00	AGRICULTURE FOR BROAD BASED OPPORTUNITIES & DEVELOPMENT Mr Warren Dutton, Chairman, North Fly Rubber & CIMC Agriculture Sectoral Committee
4.00 – 4.20	THE NATIONAL INFORMAL ECONOMY POLICY FRAMEWORK – PROGRESS & CHALLENGES OF IMPLEMENTATION Mr Dickson Kiragi, Manager, Executive Services, Department for Community Development & Religion
4.20 – 4.40	DISCUSSIONS AND RECOMMENDATIONS
4.40– 5.00	CLOSE OF DAY 1

Day Two – Thursday 27th June, 2013

TIME	ACTIVITY
SESSION 1	Chairperson: Hon. Gary Juffa, MP, Governor, Oro Province Sub-Theme 4: Service Delivery & The Organic Law on Provincial & Local Level Governments
9.00 – 9.20	EXPERIENCES OF IMPLEMENTATION OF THE ORGANIC LAW AND OTHER RECENT LEGISLATIONS : CHALLENGES & ISSUES Dr Erik Kwa, Secretary, Constitutional Law Reform Commission
9.20 – 9.40	VIEWS FROM DISTRICTS & LLGS IN PROVIDING SERVICES AND ENCOURAGING COMMUNITY PARTICIPATION Mr Lindsay Alesana, Alotau District Administrator, Milne Bay Province Mr Tae Guambelele, District Administrator, Bulolo District, Morobe Province
9.40 – 10.00	UNLOCKING CUSTOMARY LAND FOR SOCIO-ECONOMIC DEVELOPMENT: LAWS & PROCESSES Dr Erik Kwa, National Lands Reform Program Taskforce Member
10.00 – 10.20	DISCUSSION & RECOMMENDATIONS
10.20 – 10.40	Morning Tea

SESSION 2	Chairperson: Ms Ann Kerepia, General Secretary, YWCA Sub-Theme 5: Views of the Regions on effective community participation to ensure quality and sustainable public service delivery in the districts.
10.40 – 11.00	MOMASE REGION Mr Baltasa Maketu, NGO & Church Worker, Aitape, East Sepik Province
11.00 – 11.20	HIGHLANDS REGION Mr Gabriel Mapa, Program Director, K1 Association, Mt. Hagen, WHP
11.20 – 11.40	NEW GUINEA ISLANDS REGION Mr John Watmelik, Freelance Consultant, East New Britain Province
11.40 – 12.00	SOUTHERN REGION Mr Owen Awaita, Administrator, Oro Provincial Administration
12.00– 12.20	DISCUSSIONS AND RECOMMENDATIONS
12.20– 1.00	Lunch
SESSION 3	Chairperson: Mr Joe Kapa, Deputy Secretary, Department of National Planning & Monitoring Sub-Theme 6: Promoting effective partnerships for enhancing inclusive rural development
1.00 – 1.20	REACHING OUT THE RURAL MAJORITY WITH BANKING SERVICES Mr Tony Westaway, Managing Director, Nationwide Micro bank
1.20 –1.40	WOMEN IN BUSINESS SUCCESS STORIES AT THE COMMUNITY LEVEL Ms Gertrude Andreas, President, Jiwaka Women In Business, Jiwaka Province
1.40 – 2.00	PROVINCIAL INITIATIVES/MODELS IN THE EDUCATION SECTOR Mr Frank Evans, Sandaun Province
2.00 – 2.20	DISCUSSION AND RECOMMENDATIONS
2.20 – 2.40	Afternoon Tea
SESSION 4	Chairperson: Mr Paul Barker, Executive Director, Institute of National Affairs Sub-Theme 7: Quality & Sustainable Public Services in the Districts – what matters
2.40 -3.00	LAW AND ORDER National Perspective - MrJoe Kanekane, Director, Law & Justice Sector Secretariat
3.00 – 3.20	BREAKING BARRIERS TO ENCOURAGE EFFECTIVE PARTICIPATION OF WOMEN IN DEVELOPMENT AT THE DISTRICT LEVEL Ms Ume Wainetti, National Program Coordinator, Family and Sexual Violence Action Committee, CIMC
3.20– 3.40	DISCUSSIONS & RECOMMENDATIONS
3.40– 4.00	CLOSE OF DAY 2
Day Three – Friday 28th June 2013	
TIME	ACTIVITY
SESSION 1	Chairperson: Dr. Angelica Braun, Department of Prime Minister & NEC Sub-Theme 8: Contributions by the development partners in promoting inclusive rural development

8.50 – 9.10	AUSTRALIAN AGENCY FOR INTERNATIONAL DEVELOPMENT Mr Stuart Schaefer, Head of Aid, Australian Agency for International Development
9.10 – 9.30	PAPUA NEW GUINEA SUSTAINABLE DEVELOPMENT PROGRAM Ms Ginia Siaguru, PNG Sustainable Development Program
9.30 – 9.50	EUROPEAN UNION – INITIATIVES OF RURAL DEVELOPMENT Mr Peter Van Den Heuvel, EU Commission, PNG Office
9.50 – 10.10	THE PROVINCIAL CAPACITY BUILDING PROJECT: ISSUES & CHALLENGES Mr David McLachlan-Karr, UN Resident Coordinator & UNDP Resident Representative
10.10– 10.30	DISCUSSIONS AND RECOMMENDATIONS
10.30–10.50	Morning Tea
SESSION 2	Chairperson: Mr Baltasa Maketu, NGO Representative, Sandaun Province Sub-Theme 9: Accessibility to Quality services and active community participation
10.50 – 11.10	PARTICIPATION BY PEOPLE WITH DISABILITIES IN PROMOTING INCLUSIVE DEVELOPMENT Mrs Ipul Powaseu, President, PNG Assembly of Persons with Disabilities
11.10– 11.30	INITIATIVES & PLANS FOR ACTIVE PARTICIPATION OF YOUTHS OF PAPUA NEW GUINEA Mr Norit Luio, Commissioner, National Youth Commission
11.30 – 11.50	NATIONAL BROADCASTING CORPORATION – PROMOTING EFFECTIVE SERVICE DELIVERY & INCLUSIVE DEVELOPMENT THROUGH MEDIA Mr Memafu Kapera, Managing Director, National Broadcasting Corporation
11.50 – 12.10	THE DOMIL COMMUNITY INTEGRATED DEVELOPMENT EXPERIENCE Mr Thomas Kulam, Project Manager
12.10 – 12.30	DISCUSSION & RECOMMENDATIONS
12.30 – 1.30	Lunch
SESSION 3	Chairperson: Ms Wallis Yakam–Executive Officer, CIMC
1.30– 2.30	GROUP DISCUSSION AND REPORT BACK SESSION
2.30 - 3.00	CLOSE OF FORUM Ambassador Michael Mawe
3.00 – 3.15	Afternoon Tea

Appendix 2:

CIMC 2013 ANNUAL DEVELOPMENT FORUMS RECOMMENDATIONS

NEC had endorsed the 2013 annual development forum recommendations in its Decision No. 344/2013 at its 9th Meeting.

Below are the recommendations.

1. DISTRICT DEVELOPMENT AND DISTRICTS AS GROWTH CENTRES
 - 1.1. Ensure technical expertise is stationed in the districts working with district administrators, such as agriculture extension officers networking with NARI and commodity institutions, and business development officers. This expertise can be identified from available local retired public servants and professionals or other community based organisations promoting community empowerment programs to assist locals. This is to build up local skills, especially literacy and numeracy; and to assist with local planning and ownership
 - 1.2. Ensure supporting infrastructure is developed at the district level, such as district treasuries, banking services (not only one agent but also encourage competition), build & maintain access roads, bridges, jetties and airstrips (supporting local producers to reach markets), electricity, water and sanitation, telecommunications, postal services, user-friendly district markets and so on, to enhance rural development so that the districts become growth centres
 - 1.3. Develop a freight subsidy program for more remote areas and allocate resources for its implementation to support cash crops (cocoa, coffee, copra, palm oil, rubber, tea, etc.), to reach markets, buyers and for agriculture inputs (fertilisers, tools & machinery, etc.) and exempt agriculture equipment from taxation
2. IMPROVING PLANNING, MANAGEMENT & MONITORING FOR EFFECTIVE SERVICE DELIVERY
 - 2.1. Local communities to determine their own needs and priorities and reflect them in the ward development plans and districts develop five year rolling plans
 - 2.2. The government to ensure that the continuous mis-links between National and lower level plans and budgets are addressed, e.g. Bottom up planning better harmonised with notably the Medium Term Development Plan and others, including ensuring that LLG plans & budgets are reflected in the provincial plans and budgets
 - 2.3. Prompt release of funds for priority health and education services including immunization and medical drug distribution, and ensure there is improved coordination and co-operation among key agencies at the local level including Transport
 - 2.4. Department of Personnel Management develop a database of qualified graduates, as part of the right sizing program
 - 2.5. Roll out Provincial Supply and Works Unit to all districts and LLGs.
 - 2.6. Review the Public Service (Management) Act (PSM) Act, Public Finance Management (PFM) Act 2002, Organic Law on Provincial and Local level Government (OLPGLG) 1995, and Leadership Code for improved planning and management in the public service machinery
 - 2.7. Roll out Integrated Government Information System (IGIS) to all provinces, districts and LLGs
 - 2.8. Direct funding of K20,000 to each of the wards with a bank account to be managed through a transparent process

- 2.9. Government to ensure that national mainstreaming strategies be developed on HIV/Aids, Gender, Provincial Women/Youth Development, Disaster and social protection

3.

CAPACITY BUILDING AT THE LOCAL LEVEL

- 3.1. Ensure whole of government approach to supporting the districts and LLGs for them to have the capacity to maintain service delivery (each component is dependent upon another for effective service delivery and performance)
- 3.2. Ensure a five year integrated human resource plan (taking into account professionalism, ethics, good attitudes etc) be developed for district office staff and also provide opportunities for further training and certificates. Refresher training to be developed conducted regularly to keep them updated with new policies, Finance and management instructions
- 3.3. Have all public servants put on contract instead of senior management only and have the contracts reviewed annually instead of three years
- 3.4. That the government to provide incentive packages, like housing, transport, upgrade LLGs positions, and increase salaries and wages, for qualified staff as encouragement to accept difficult rural postings, combined with more effective local oversight, and other incentive arrangements. One option to encourage professional staff at the district level is to make favourable arrangements with tertiary institutions and colleges for graduates to commence their career at that level

4

PROMOTING TRANSPARENCY & ACCOUNTABILITY IN THE PUBLIC SERVICE

- 4.1. Hold LLG managers, district treasurers, district administrators, & LLG Presidents accountable by ensuring that they provide timely quarterly audits and reports on approved and budgeted programs in compliance with the Public Finance and (Management) Act (PFMA) and penalise them by withholding the next release of funds until compliance
- 4.2. JDPBPC to meet in districts and recruit public servants according to PSMA.
- 4.3. Sub-national budgets be required to be made available publicly notably at the local level (provincial, districts, LLGs as well as institutional budgets, eg, schools and hospitals, etc)
- 4.4. Publish quarterly reports of the expenditure and put on the notice board or in the media for public viewing, such as quarterly warrant release information;
- 4.5. Make it mandatory to engage an independent body to monitor, evaluate and report on the activities at all levels of the provincial, district and LLG level;
- 4.6. Government to support district budget information seminars or training to be conducted by the CIMC, (for officials, elected representatives and civil society leaders) on Social Auditing and others for all districts and LLGs so the community can hold district and LLG officers accountable
- 4.7. Encourage the public/community to speak up or report to relevant authorities if they see something is not right, for example, prolonged absence of a community school teacher to be reported to the provincial education office, or ward councillor
- 4.8. That the government (including provincial governments) establish and

- operationalize provincial and district coordinating & monitoring committees (PCMC) in all provinces to encourage regular dialogue
- 4.9. That Village Book System should be revived and maintained as reference for local records and complement and verify with a centralised national database (National Statistics Office), and ensure committed local volunteers to maintain local record keeping

5. EFFECTIVE PARTICIPATION OF COMMUNITY, INCLUDING PERSONS LIVING WITH DISABILITY (PWDs), WOMEN, YOUTH, AND ELDERLY

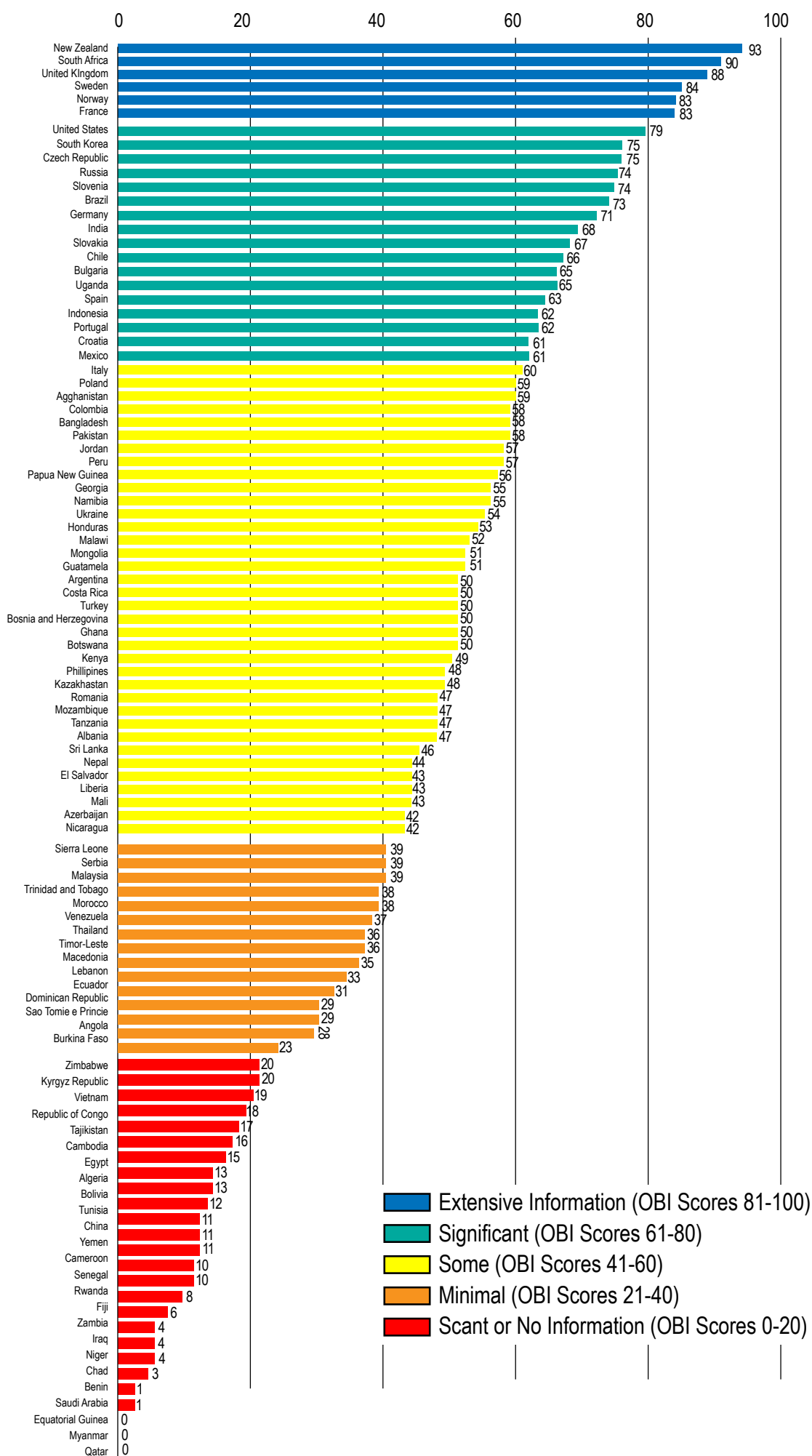
- 5.1. Ensure inclusive and responsive policies and plans are developed with participation by affected groups (not just planned for them) and that resources are made accessible for the needs of all that require them in the community
- 5.2. Encourage representation of churches, women, youths, PWDs and elderly at all levels, on boards or committees established by government for public decision making, for example in the Provincial & District Coordinating and Monitoring Committees (PCMCs)
- 5.3. Support mechanisms be developed for sustainable support for people with disabilities, orphans and the elderly, drawing from the LNG revenue particularly the Sovereign Wealth Fund

6. LAND

- 6.1. That State land at provincial, district and LLGs needs to be clearly identified to reduce conflicts with customary landowners
- 6.2. Lands of the 89 districts need to be zoned and surveyed
- 6.3. Empower provincial land boards (and physical planning boards) to address lands issues at the local level, subject to effective checks and balances from national entities
- 6.4. Assist communities for customary land incorporation, where this is a local priority for development, such as, developing community facilities and conduct ongoing community education on importance and requirements associated and managing with Incorporated Land Groups (ILGs), notably where communities decide to set aside portions of their customary land for development purpose

Appendix 3:

THE OPEN BUDGET INDEX 2012





2013