

NIUSPEPA BILONG APNG ASSOCIATION

APRIL 2013 EDITION

EDITORIAL

Hi folks,

A read of the condensed news in this newsletter will indicate that Prime Minister, Peter O'Neill, has been very active in an effort to bolster his claims that he is tackling corruption head-on.

I personally congratulate him on his success so far but it is hoped that his acts of omission have not been tainted to some degree by baggage that he may not deserve to be carrying—in particular, the unsavoury Indonesian fugitive, DJOKO Tjandra.

Mr Tjandra's possession of a Papua New Guinea passport and his subsequent flight from Port Moresby created impressions that mirrored the infamous Moti affair and hopefully will not carry penalty points for a prime minister who deserves better.

Another omission from the "good news" department is the declaration

that Hansard Minutes of Parliamentary proceedings have not been made for 13 years.

Surely, this revelation is an April Fool's joke?

The legal problems and the historical events that this anomaly creates is mind boggling.

For instance, what protection from parliamentary privilege is recorded and can be quoted in a libel case?

Who in the past 13 years has provided an official history of financial or other activities? The Press?

On the home front, our endeavour to hold a business breakfast in late May became unstuck when our proposed speaker was unavailable due to overseas appointments.

However, we have been promised another date later in the year. In the meantime we are trying for a replacement. Stay tuned folks.



God bless

Hank Cosgrove

Important Note: The views expressed in this article are not necessarily those of other members of the committee of the APNG Association.

2013 ANNUAL GENERAL MEETING REPORT

This year's AGM was attended by 24 members at the George Street Rendezvous Studio Hotel.

The AGM was followed by the Papua New Guinea Movie: "Walk into Paradise", starring Chips Rafferty as a Patrol Officer.

The movie was filmed in the Madang area and featured Chips as a Patrol Officer chasing up an oil discovery in 1956.

The event featured a two course dinner and the night was enjoyed by all the members.

SPECIAL POINTS OF INTEREST:

- *A lone police officer patrols the last PNG border post.*

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PANGUNA MINE TALK OPPOSED

Arawa-based self-styled Me'ekamui general Chris Uma has bluntly told the Post-Courier that Panguna Mine is not negotiable till after referendum and independence.

"Only after referendum and independence we will then talk about mining," Mr Uma said when quizzed about the re-opening of the giant copper mine in Arawa Town at the weekend.

The Panguna Mine was forced to shut down 25 years ago and presently remain closed.

"Now we can talk about mining but it will not be opened, we can just talk and talk as we wished, but it will not be opened. Only after we achieved the ultimate independence, we can then talk about opening the mine."

Mr Uma, who controls the Me'ekamui faction in Central Bougainville, said "before we can talk about the mine, we must answer these questions, why did this war (crisis) start, why did it end and what di we achieve from this fight? What will we benefit from this war?"

"We must not lose our foresight on these very important questions, and most importantly we must educate our children on these issues, tell them why we fought this war and what will be achieved after this war. And what benefit will we get (from this mine), because mining was the sole reason why late Francis Ona instigated this war. We fought because we (Bougainvilleans) as the rightful owners of this Panguna mine were missing out on the benefits. That is the reason why we fought this war, we were not benefiting, and instead the outside world including the developer were benefiting from our mine." The majority of Bougainvilleans support Mr Uma's view, with some opponents as well.

Re-produced courtesy Post-Courier

2013 COMMITTEE

The new committee consists of:

President—Gayle Carrick

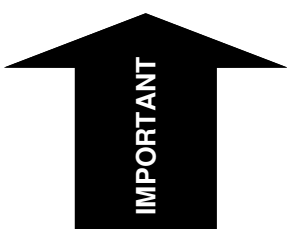
Senior Vice/President—Sue Krone

Secretary—Hank Cosgrove

Treasurer—Berry Cosgrove

General Committee:

Christine Leonard, Sheryl Guthrie, Fran Leddick, Professor Robin Cooke, Noela McCormick, Rebecca Cowie, Jon White, and Ian Briggs



PARLIAMENT OFFICER ARRESTED ON FRAUD

A major contributing factor towards the high level of fraud in the National Parliament could be due to engagements of unqualified people to hold senior positions within the national Parliamentary Services. This came to light following the arrest of a former "senior officer" of the parliamentary services yesterday by Police Anti-Fraud Squad for stealing K150,000 belonging to the National Parliamentary Services.

This is the second arrest following the earlier arrest of his co-accused and former Chief Finance Officer of Parliament Charles Aopi. According to police investigations, the accused identified as Lepson Newe was a former security guard of parliament and later engaged as the Travel and Movement Clerk by the former management of Parliament. He was suspended early last year pending investigations into numerous fraud allegations leveled against him.

Prior to his suspension, and knowing that he would be suspended, he colluded with his co-accused Mr Aopi and obtained a parliament cheques leaf. Both accused were signatories to some of the parliament operating accounts prior to their suspension.

Despite the Bank of South Pacific being advised to temporarily freeze transactions pending the change of new signatories, police investigations revealed that Messrs Newe and Aopi allegedly went ahead and used the cheques leaf they obtained and attempted to transact a sum of K200,000 from the parliament's Imprest account.

GOVERNMENT SERVICES LACKING

Papua New Guineans living along the southern border of the country in Western Province seek medical treatment, education opportunities and use the Indonesian and Australian currencies to trade.

One lone police officer at Weam government station, the last PNG border post, is the only public servant in this part of the country.

This is one man wearing “different heads” and acting as the PNG National Government’s representative in that part of the country—he acts on issues of foreign affairs, security, and as a teacher and health worker. Sergeant Trophy Baworo is from Northern Province and has been working in Weam for 14 years. In all those years, he has walked 42 kilometres from Wean government station to Morehead to take a dinghy ride to Daru, which is almost four hours, just to get his fort-

night pay.

“By the time I get back to Weam, I have no money left because I spend most of my salary to travel to Daru and back,” he said.

Sgt Baworo said he has been serving about five thousand people who live along the border all these years. Weam government station has a rundown aid post with no medicine or health worker, a one-building school which hasn’t been in operation for years because there are no teachers and run down houses surrounded by tall grasses and anthills.

He said he cannot control poachers, illegal trading and other activities along the border because his life and family are at risk.

“I am threatened by the border crossers if I try to stop them from the illegal activities that they do,” he said.

Sgt Baworo said most people living along the border

live in fear for their lives. “What we need is government services and security forces to be present on the ground,” he said.

One of the many challenges for Sgt Baworo is lack of transport. He walks almost everywhere he goes because there is no transport or proper road infrastructure.

Further down the river, at the border village of Bula, the story is not different. Doreen Maso, a young mother, said it’s much closer to travel to Sota in Indonesia or Saibai Island in Australia for basic services than travelling for almost three days to get to Daru by dinghy. “We go to Saibai Island or Sota to do our shopping and seek medical help,” she said.

Ms Maso said women and children have died from child birth complications, tuberculosis, snake bites and preventable diseases. Its aid post has not had any medicine for two years.

Reprinted courtesy of Post Courier Online

LONE SERGEANT
MANS BORDER
STATION



Change of address policy

Over the past 12 months, our mail out procedures have been disrupted because letters have been returned due to change of address or change of company personnel who have been nominated to receive our mail outs.

Those disruptions can be avoided by:

1. Advising Treasurer Berry of any change of address.
2. Advising your mail room to monitor our envelopes and pass the mail to the present incumbent if the nominated person has left the business.

Please help!

NEWS ROUNDUP



The Papua New Guinea news roundup is compiled by Colin Gould and Hank Cosgrove from reports in the Post Courier and the National.

Please note that the Australia Papua New Guinea Association is non-political and the reports in this news summary are direct lift outs from the press and are published for the information of members.

The news items have been listed in sections of Business, General Politics, Mining, Health and Legal and Crime.

The period of reporting covers January to March 2013.

Business

- Over 2000 ships called into Port Moresby and Lae ports last year—500 vessels more than the number that called into these ports in 2009. Statistical reports supplied by the two ports for the two years show 1030 vessels called into Lae Port in 2009 and 851 in 2012, while 499 ships called into Port Moresby Port in 2009 and 1157 vessels in 2012.
- Air Niugini is expanding its freight operations and associated services in a bid to better serve customers and the business community.
- Chairman of the Air Niugini Board has issued stern instructions to the company's management to improve on their performance and restore the pride of Papua New Guineans through better and improved customer services. He said he had to come down hard on management following clear government directives for all State Owned Enterprise to be profitable to pay dividends to the government and provide quality service to the people.
- Member for Komor-Margarima Francis Potape has called for a review of all work permits issued by the Department of Labour and Industrial Relations to foreign nationals working in the country. He also called for a registry to be set up with the Labour Department to register graduates and qualified people are currently unemployed.
- All foreign investments will from now on be joint venture agreements between Papua New Guineans and others, be 49 per cent PNG-owned and staffing capacity will be 90 per cent indigenous.
- Cairns-based wholesale distributor Island & Cape has officially secured the rights to distribute SP Brewery products, including PNG's favourite beers, across North Queensland.
- Mountain Ridge Wholesale Ltd, a joint venture between Hides Gas Development Company Limited and PHC (PNG) Ltd, announced that it has signed a supply agreement with Esso Highlands Limited, the operator of the PNG LNG Project, to supply its own brand of bottled water—Mountain Ridge Premium Purified Water to PNG LNG Project camps in the Hides area.
- Free tuition cheques to the amount of K236 million for over 7000 schools were released to the banks to process and put into respective school accounts in February. Schools that have not furnished their enrolments and account details will have their component of the payment as soon as they complete the requirements.
- The Highlands Highway needs urgent road maintenance to save businesses operating along that highway says a major agriculture exporter. The GM of Carpenter Estates told members of the Consultative Implementation and Monitoring Council in Port Moresby that the bad road conditions are placing a great burden on local business in transporting their agricultural product to the markets.

FOREIGN
INVESTMENTS
WILL BE JOINT
VENTURE
AGREEMENTS
FROM NOW ON

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NEWS ROUNDUP CONTINUED

Health

- Seven hospital heads faced suspension pending investigations into alleged financial mismanagement and maladministration in January. Minister for Health and

HIV/AIDS Michael Malabag signed two notices of suspension for the chief executive officers of Boram Hospital in Wewak, East Sepik province, and Kimbe General Hospital in

West New Britain. Other hospitals that followed suit were Modilon (Madang), Lorengau (Manus), Popondetta (Northern), Daru (Western) and Wabag (Enga).



Legal and Crime

- A police detective attached with the Immigration Task Force, 'Operation Rausim Alien', has allegedly been terminated from office by his superiors for investigating an Asian businessman for money laundering. It is alleged that one of the detective's superiors is a business partner with the Asian businessman.
- The Auditor-General's office is under investigation by various agencies for procedural appointments and alleged 'misdeeds'. Other allegations include misconduct in office; controversial decisions; misapplication of entitlements; non-compliance with legislative requirements; outstanding annual reports; and the fact that executive heads were never sworn into the office by the Chief Justice of PNG.
- MPs aired their views on how the police force and leaders can

combine to tackle the problem of law and order in the country at an open forum for leaders. Topics raised included police brutality, the incapability of police to attend to police duties, the need for governors and members of parliament to be involved in police transfers.

- The National Executive Council has approved the call-out of the PNG Defence Force to assist the police to address law & order problems at the PNG LNG project sites.
- Calls have been made to the national government as well as to the police hierarchy to adequately resource police in the provinces so that they can serve their respective communities better. The officers would particularly like to see some functions of the police headquarters decentralized as this has been an obstacle in their efforts.

- PNG is the world's second largest exporter of round logs and currently exports most of its round logs to EU markets. Millions of kina will go down the drain if the government, through the PNG Forest Authority does not clamp down on illegal logging which is occurring under the nose of the authorities.
- The Commission of Inquiry into the sinking of the MV Rabaul Queen was scathing in its assessment of the National Maritime Safety Authority. The commission saw the authority's incompetence as contributing to the disaster, stating it considered 'that if the NMSA had properly conducted its duties, it is possible that Rabaul Queen would not have sunk while carrying in excess of the number of passengers prescribed by the Survey Certificate and the tragedy would either have

THE PNG
DEFENCE FORCE
TO ASSIST THE
POLICE ADDRESS
LAW AND
ORDER
PROBLEMS AT
PNG LNG
PROJECT SITES

Continued page 6

NEWS ROUNDUP CONTINUED



GOVT PLANS TO
CORPORATIZE
BUREAUCY TO
IMPROVE
PERFORMANCE

General Politics

- A high-level government delegation to the southern border of PNG and Indonesia has agreed that one of the immediate measures that need to be taken is to restore vital infrastructure and services to serve the people there. Finance Secretary Steven Gibson said there are no government services and this was the reason people were crossing the border to the Indonesian side to access health, education and other services as well as goods.
- The PM Peter O'Neill has made it very clear that there will be no casino built in Port Moresby under his watch as the chief executive of the nation. He said he wanted to see Papua New Guineans develop a savings culture because the benefits were immense.
- An ambitious plan to corporatize the bureaucracy will go before the Government for its consideration. Under the proposal public servants will be put on performance-based contracts and have measurable outputs.
- PM Peter O'Neill has warned governors, ministers, provincial administrators and departmental heads that they will be removed from office if they fail to deliver services to the people by effectively implementing the 2013

budget.

- PNG's inability to man its 760-kilometre land border with Indonesia and increasing tension triggered by cross-border raids and lack of economic opportunities could make the area a flashpoint. A skirmish occurred between Wutung villagers and Indonesian soldiers in January.
- Speaker Theo Zurenuoc has denied National Parliament purchased over K500,000 worth of guns and ammunition. And he says the 111-seat House does not need guns and the acting Clerk Simon Ila could be disciplined for proceeding with plans to make the

Continued on page 7

Legal and Crime news continued from page 5

- been averted or the number of deaths would have been reduced'.
- A logging company operating in a remote area in Kandrian-Gloucester District in West New Britain Province is digging up coral reefs and using it as gravel for roads it is constructing. Pictures were given to the Post Courier by a villager near Geren Base camp where a logging company called Unirise Investment Limited is operating. The photos show an excavator parked on the reef digging it up and shoveling it onto a dump truck. The Post Courier tried contacting the company but it is not listed in the PNG telephone directory.
- The Attorney-General and Justice Minister is committed to doing everything possible for the O'Neill-Dion Government to implement the death penalty. He said law and order problems, especially serious crimes like gang rape, murder and armed robberies, in rural areas and towns and cities were increasing at an alarming rate and the death penalty should be a deterrent.

NEWS ROUNDUP CONTINUED

Mining

- Work on a PNG LNG project site in Hela province has been halted by landowners who are claiming that their seed capital grants, township grants and law and order restoration funds totaling about K40 million are yet to be paid by the national government.
- The autonomous Bougainville Government's mining policy will give mining ownership to customary landowners. The landowners will also be involved in major mining project decisions and can say 'no' to exploration on their land.
- The developer of the first nickel and cobalt mine in the country, Ramu NiCo Management Ltd in Madang has boosted the economy of Madang province including the local impacted areas since its inception. Ramu NiCo has spent a total of over K56.2 million in procurement exercises alone in the province and the country.
- Oil Search recorded a net profit of K372.4 million last year with a significant progress in the delivery of its key growth strategies. Peter Botten (MD of Oil Search) said this profit was based on a production of 6.4 million barrels of oil which is almost the same amount that was recorded in 2011.
- Coal, one of the world's largest sources of fuel, can become one of PNG's source of income like gold and copper. Despite having a strong mineral and petroleum industry, coal deposits have never been extensively explored.
- PNG could find itself with a major new petroleum project supplying gas and liquids to markets in Asia, if Talisman Energy's extensive exploration effort in Western Province continues to make discoveries.
- Highlands Pacific Limited has reported a new discovery of copper-gold porphyry in Star Mountains in Western Province.



PM ANNOUNCES
MORATORIUM
ON OVERSEAS
TRAVEL AND
CONFERENCES
BY
BUREAUCRACY

General politics continued from page 6

- purchase without his knowledge.
- PM Peter O'Neill has announced a moratorium on overseas travels for Ministers, heads of departments, government agencies and statutory bodies, as well as provincial administrators. In that meeting the National Executive Council also banned the holding of conferences and workshops this year.
 - The British Government is keen on developing and maintaining a greater trade relationship with PNG from the existing one.
 - There are currently two heads for the PNG high commission in Honiara, Solomon Islands. They are Engans—The National Executive Council appointed Brian Yombom-Copio and Foreign Affairs as-
- signed, Sakias Tameo. The internal diplomatic bungle is causing confusion for the host country as they are receiving differing instructions and do not know who to listen to.
- There is now a high demand for betelnut in East New Britain which is one of the few provinces in PNG that usually sells the much loved nut cheaply.

NEWS ROUNDUP CONTINUED

General News

- More than 3000 policemen and women are likely to pull out of operations due to no insurance cover. The Police Association president said 5000 plus police personnel were not insured because a Memorandum of Understanding, signed by the police union in 2008, was yet to be approved.
- The Manus asylum seeker processing centre operates within PNG laws and there is no need to seek Supreme Court interpretation according to PM Peter O'Neill. He issued the statement following Opposition Leader Belden Namah's moves to seek the court's interpretation on the constitutionality of the Australian government-funded facility.
- Manus police have raised concerns about whether PNG laws apply to more than 100 foreign asylum seekers currently detained at the processing centre on the island. The issue was raised after an Iranian woman detainee hit a security guard on the head with an instrument, knocking him unconscious.
- The decision by the Government to relocate the PNG Defence Force headquarters, Murray Barracks, to a new location in Central province is suspicious and not good for the force and the country says Belden

Namah. He wants the Government to lay out a realistic master plan of the city which must include the future purpose and use of Murray Barracks land before they can relocate it to another site.

- The New Zealand Government, through the New Zealand Pacific Scholarships program, is giving both young and experienced Papua New Guineans an opportunity to train in areas of energy and fresh produce, amongst others, so that they may come back and address their own development needs.
- Only eight national airports out of 22 major airports in PNG are certified by the Civil Aviation Safety



Authority under the national airports certification to operate for this year.

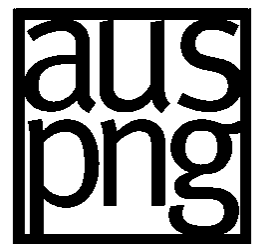
INTEREST RATE CUTS FROM 23% TO 6%

Business news continued from page 4

- The national government will borrow up to K2.6 billion both domestically and internationally to fill the deficit in the 2013 budget.
- Eldan Recycling is preparing to deliver a complete plan to PNG for converting all kinds of tyres—including truck and huge mining tyres—into rubber granulate. Eldan estimates production will average 4 tonnes per hour, yielding a 0-4 mm rubber granulate that is 99.9% free of textiles and steel.
- Mukimuki landowners of Raicoast Madang province made a call to government for compensation after environmental damage done by an Australian-PNG led operation to retrieve a P38 World War II war plane relic eight years ago. The plane was taken by an Australian Museum in 2004.
- International travel-tourism promoter Dave

Thomson jetted quietly into PNG on one of his journeys around the world to search the untapped multi-million kina potential of the PNG tourism industry. From California, Mr Thomson and his photographer wife Syy Thomson visited the Kokoda Track.

- The National Development Bank offered the people of PNG a New Year's present with a massive cut in interest rates from 23 % to 6%.



AUSTRALIA PAPUA NEW GUINEA ASSOCIATION (INC)

PO Box 1511
COORPAROO DC 4151

Phone: 07 3397 4667

Fax: 07 3397 9247

E-mail:

hb.cosgrove@bigpond.com

Website:

www.apngassociation.com