

# - StaRs -

## Papua New Guinea's National Strategy for Responsible Sustainable Development



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## Abstract for 2016 PNG Update

### Sustaining development (in PNG) beyond the resources boom

#### Abstract 1

### StaRS – Papua New Guinea's National Strategy for Responsible Sustainable Development

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From StaRS, “PNG is in an unique position to choose a future that is responsible and sustainable”. PNG can lead the way in a development revolution toward sustainability revolution towards an ecologically or responsible sustainable future.

Papua New Guinea has its own Agenda 21. PNG has its own national strategy for responsible sustainable development (RSD). It is called **StaRS**. It is the process of transformation from a brown economy to a green economy. StaRS provide a totally new paradigm for development in PNG. It does not replace our development plans but elevates within them the principles of responsible sustainable development and strategic planning. It redefines the development road map by prescribing a growth strategy built on the principles of green growth, green economics, ecological economics and sustainable livelihoods and sustainable development. *Em mi yah!*

In 2009 PNG adopted its Vision 2050 – an aspirational statement and set of beliefs and principles on the sort of PNG we want by 2050. In 2014 the PNG Government endorsed a new national strategy for responsible sustainable development called “The Strategy”. One year later this was superseded by StaRS.

*“We believe that the people of PNG, both of today and tomorrow, should be continually aware that in striving to improve their lot they should not make the mistake of blindly destroying their rich natural environment.”*

*“StaRS has been developed at a time when there is a recognizable growth in the economic fortunes of the nation, but also a growing global consciousness that environmental threats are being realized. The increased frequency and severity of climate change impacts have alerted us to something that we already knew but tried to ignore – that the world is finite and can not sustain endless growth.”*

Prime Minister Hon Peter O'Neill states in the forward to StaRS, “A responsible Government must ensure we are walking the correct path towards a successful future for our people”. The NEC Decision 347/2013 approved and endorsed the Principles of Sustainable Development

Paradigm through the Strategy RSD and for incorporation into the new bridging MTDP II and sector plans. The Strategy RSD was launched in April 2014.

StaRs has 21 principles based on the three pillars of ecological, economic and social sustainability together with good governance and personal sustainability. These are elaborated on. StaRs can only be successful if it has the support and ownership of all Papua New Guineans. Sustainability is about connecting with the hearts and minds of all Papua New Guineans and starting a movement that demands responsibilities in daily decision-making at home, in the community, the province and at both a national and international level and in decision-making all these levels by our leaders.

This paper explains what StaRS is all about and gives a timely critical review of it. He gives some early lessons learned from our early experience. The author advocates a new responsible economy built on the unique strengths of strategic assets that are expected to grow in value in the future and on sustainability concepts and principle all in line *with PNG ways*.

# StaRs – Papua New Guinea's National Strategy for Responsible Sustainable Development

## 1. Sustainable Development Globally

The growth of Sustainable Development globally could be traced back to 1962 when the United Nations General Assembly (UNGA) recognized the imbalance of natural resources exploitation resulting in both environmental and livelihoods changes. The UNGA passed a resolution in 1968 to combat the growing global environmental problems. (1)

This paved the way for the 1972 Stockholm Declaration, which created the United Nations Environment Programme (UNEP) and the Right to economic development of States, protection of environment, population control and poverty reduction. (2)

In 1980, the World Conservation Strategy (WCS 1980) was launched by International Union for Conservation of Nature and Natural Resources, UNEP and WWF. The aims of the WCS were to: maintain essential ecological processes and life support systems; preserve genetic diversity; and ensure the sustainable utilization of species and ecosystems. (3)

In 1987 the United Nations Report; 'Our Common Future', called for commitment from the political leaders of all countries for a Global paradigm shift towards Sustainable Development modes of development growth. (4)

The 1992 Rio Summit - UN Conference on Environment and Development (UNCED) in Brazil, agreed on Agenda 21, the Rio Declaration on Environment and Development which laid the foundation for the global institutionalization of sustainable development, as well as the Statement of Principles to guide the sustainable development of forests. (5) All these developments paved the way for the setup of the UN Commission for Sustainable Development to monitor overall implementation of the summit agreements by governments, businesses, non-governmental organizations and others.

The 1997 Special Session of the UN General Assembly set the year 2002 as the target for the formulation and elaboration of National Sustainable Development Strategies for all the countries. This is part of the Agenda 21 implementation programme. (6)

In 2000 Eight (8) Millennium Development Goals were developed and released by the UN to support the SD at national level. (7)

In 2002 the Johannesburg Declaration on Sustainable Development was adopted at the World Sustainable Development Summit (WSSD), and the Plan for the Implementation of the World Summit on Sustainable Development was also agreed upon. The Johannesburg Declaration builds on earlier declarations made at the UN Conference on the Human Environment at Stockholm in 1972, and the Earth Summit in Rio de Janeiro in 1992. While committing the nations of the world to sustainable development, it also included substantial mention of multilateralism as the path forward. (8)

In 2007 at the Pacific Islands Forum Meeting, the Pacific Plan aimed at strengthening Pacific regional integration and co-operation adopted four key pillars to guide regional growth: economic growth, sustainable development, good governance, and security was developed and launched. (9)

In 2012 the Rio+ 20 UN Sustainable Development Conference in Brazil titled ‘The Future We Want’, advanced six themes; Our common vision; Renewing political commitment; Green economy in the context of sustainable development and poverty eradication; Institutional framework for sustainable development; Framework for action and follow up; and Means of implementation. (10)

In September 2015 the United Nations General Assembly adopted the 17 Sustainable Development Goals from 2014 -2030. (11)

## **2. Sustainable Development in Papua New Guinea**

Papua New Guinea has been a participant in global forums associated with discussion and decisions on sustainable development. At independence in 1975, it adopted in its constitution five co-dependent National Goals and Directive Principles. These were:

1. *Integral Human Development* - providing all citizens with the opportunity to achieve their potential. Quality education for all and a world class health system are key elements of the PNGDSP for human development, helping to develop a highly skilled workforce and equipping PNG’s entrepreneurs with the skills they need to grow their businesses.
2. *Equality and participation* - all citizens should have equal opportunity to participate in and benefit from the nation’s development. Prosperity in rural areas of the country where the vast majority of citizens live.
3. *National Sovereignty and Self-reliance* – to be strengthened by PNG’s economic and political success. Good governance and broad based growth will help build PNG into a prosperous nation including by facilitating PNG investors. Among other things, PNG’s prosperity will alleviate the country’s reliance on aid.
4. *Natural Resources and Environment* - PNG is well endowed with a wealth of natural resources. These resources must be managed sustainably to ensure they benefit both future and current generations. In particular, resource revenues need to be focused on nation building, while at the same time protecting the environment.
5. *Papua New Guinea Ways* - PNG has a rich heritage of traditional wisdom and knowledge, reflecting the cultural diversity of any nation of the world. PNG’s development to be fostered in ways that learn from and build upon this cultural heritage. Policy measures for law and order, land, education and health need to draw on PNG ways to improve service delivery effectiveness in these sectors. (12)

The 4<sup>th</sup> Goal in particular sets out the Sustainable Development platform for development. It read in part; ‘We declare our fourth goal to be for Papua New Guinea’s natural resources and environment to be conserved and used for the collective benefit of us all, and be replenished for the benefit of future generations.

This 4<sup>th</sup> Goal was institutionalized in 1976 with the framing and adoption of the National Environment Policy. The Environment Policy provided the framework for environmental management. It contained broad principles such as; intergenerational equity; precautionary principle; integration; participation and good governance but lacked clearly defined strategies for the achievement of the principles. (13)

Following the Rio Summit of 1992 PNG again responded by initiating national forums aimed at defining a development road map based on sustainable development principles. The main forum in 1993, the 20<sup>th</sup> Waigani Seminar with the theme; ‘From Rio to Rai: Environment and Development in Papua New Guinea’, resulted in the framing in 1994 of the ‘Guide to National Sustainable Development Strategy (NSDS)’.

The principle recommendation was to immediately commence and strengthen the process of implementing a *National Sustainable Development Strategy (NSDS)* up to the year 2000 and beyond. (14)

A NSDS Steering Committee was established in the same year and chaired by the Department of Environment and Conservation. The Department of National Planning and Rural Development deputized and the Secretariat was housed in the Department of Prime Minister.

The United Nations Mission assisted by providing technical advice on: Integrating environment and development considerations at all levels of the decision making process, integrated approach to the management of renewable and non-renewable natural resources, strengthening mechanisms for effective people’s participation in decision-making, and Capacity building for villages and communities, grassroots NGOs and village/community government. (15)

The technical assistance provided by the UN Mission began by undertaking an audit of the environment and development issues affecting the country with the publication of its report entitled; ‘*Yumi Wankain: Report of the United Nations Joint Inter-Agency Mission to Papua New Guinea on Sustainable Development*’. (16)

The main message of the report was the urgent need to transform the policy, legal and administrative systems of government to achieve: (1) better governance; (2) stronger and efficient management of the country’s natural resources; and (3) stronger community empowerment. The report further recommended six strategies; Enabling Government,

Sustaining the benefits from mining, Jobs first: an employment led growth strategy, Viable villages: sustainable development, Empowerment of people; and NSDS: the way ahead.

However, these positive developments were overshadowed by the recession of the mid 1990's. The devaluation of the currency and its subsequent floating in 1995 saw the introduction of the World Bank and IMF's Structural Adjustment Programme. This austerity measures shelved long-term strategies such as sustainable development considerations and instead introduced short-term survival measures aimed at restoration of the economy.

As part of the Structural Adjustment Program (SAP) the National Planning Office (NPO) was re-established after ten years. Upon its re-establishment the NPO moved to define a long-term development vision for the country. National vision and long term thinking in development planning was in large measure influenced by developments in other countries such as Singapore and Malaysia, and was seen as essential to bringing coherency and alignment to development policy and planning.

Influenced by this rationale, the government set up the Baloiloi committee, undertook a nation wide consultation process and framed the long-term development vision for the country. The committee's report titled; **Kumul 2020** recommended a change in development paradigm away from a model that was highly dependent on exports of natural resources and towards a model that pursues sustainable modalities of growth. (17)

Despite this initiative the Skate Government upon taking office in 1997, saw Kumul 2020 as Chan/Haiveta Government policy and ignored the recommendations for a shift in development paradigm and shelved it. (18)

Subsequent Medium Term Development Strategies 1997-2002 did not provide for the integration of Sustainable development principles in their prescriptions. The plans made references to the 5NGDP's in their objectives but did little to seriously reflect sustainability principles in their growth strategies, in particular ecological and social sustainability considerations.

The Skate government did not complete its full five-year term instead it was removed from office in mid 2000 due to gross mismanagement of the economy. The Morauta government upon taking office spent the remainder of the Parliamentary life rebuilding the economy using a policy mix of austerity measures again.

By 2002 with the impending Rio +10 World Summit on Sustainable Development (WSSD) in Johannesburg on August-September the government realized that it had not progressed the sustainable development agreement that it had committed itself to a decade back.

The initiatives of 1994 to put in place a National Sustainable Development Strategy, and the recommendations of the Kumul 2020 in 1997 to shift development paradigm towards sustainable growth had not progressed. Even the National Assessment Report (NAR) of the country for presentation to the WSSD had not been prepared. (19)

In the absence of concrete development since 1994, the UNDP intervened yet again and assisted the Department of Planning and Rural Development by establishing a project in early 2001 to prepare for the Rio +10 summit. A Secretariat was established within the Department headed by a Project Coordinator with technical advice from a Technical Working Group. The project was supervised by the National Steering Committee, which was also chaired by the Department.

By March 2002, as the country prepared to go to the national elections, the United Nations Development Programme (UNDP) and Department of National Planning and Rural Development initiatives had not materialized. (20) The non-implementation of the NSDS and the National Sustainable Development Commission as required by the NEC Decision were attributed primarily to the 1995 Structural Adjustment Program and the need for rescue packages following the Skate years of 1997 - 2000.

In an effort to complete the NAR for the Johannesburg summit, the National Steering Committee removed the project from Secretariat and transferred it to the University of Papua New Guinea (UPNG). The UPNG consultants primarily from the now School of Natural and Physical Sciences and Centre of Climate Change together with Conservation International framed the NAR in three months. (21)

The report showed that since 1992, Papua New Guinea had not achieved most of the objectives of Sustainable Development and strongly recommended for the government to establish and institutionalize the National Sustainability Development Strategy (NSDS) in its development plans together with an implementation and monitoring framework to review progress. (22)

The Somare government following the 2002 elections continued with the rescue strategy started by Morauta government to take the country out of the economic mess left by the Skate Government. The Government's response to the 2002 Johannesburg Declaration on sustainable development was not forthcoming until a year later 2003 when the Department of National Planning and Rural Development began resurrecting the NSDS initiative of 1994. (23)

The Department established an Inter-Agency Working Committee on National Sustainable Development Strategy (NSDS Working Committee) to immediately commence work on the NSDS. At the first meeting of the NSDS Working Committee, on 7th August 2003, the Committee agreed that a draft NSDS would be completed within six months, that is by



February 2004. In spite of these developments by August 2007, some three years later, the NSDS Working Committee had still not developed the draft NSDS. (24)

The failure in the development of the NSDS could be attributed to the shifting of attention to the establishment of the Office of Climate Change, a unit within the Department of Environment and Conservation (now called the Environment Protection Authority). In 2010 it was separated as a stand-alone agency and now called the Conservation and Climate Change and Development Authority (CCDA).

Upon re-election in 2007, the Somare Government confident of its political stability developed and adopted Vision 2050 and the Development Strategic Plan 2010-2030. Vision 2050 set out the long-term development vision and the Development Strategic Plan 2010-2030 (DSP 2030) translated the vision into sector plans woven into a coherent development road map, and the Medium Term Development Plan 1 (MTDP1) set out the five-year intervention programme of government.

The Vision 2050 was launched in September 16<sup>th</sup> 2009 with 7 strategic Pillars: (1) Human Capital, Gender, Youth and people empowerment; (2) Wealth creation; (3) Institutional Development and Service delivery; (4) Security and International Relation; (5) Environment Sustainability and Climate Change; (6) Spiritual, Cultural and Community Development; and (7) Strategic Planning, Integration and Control. (25)

DSP 2030 launched in January 2010 set out 7 complementary Core objectives; (1) Strategic Planning, (2) Systems and institutions, (3) Human development, (4) Wealth creation, (5) Security and international relations, (6) Environment and climate change, and (7) Partnership with Churches for integral human development. (26)

Both Vision 2050 and DSP 2030 pronounced sustainable development and climate change adaptation as development goals.

Despite all these policy prescriptions very little actual movement in terms of recognizable shift towards sustainable modalities of growth had taken place. PNG's economy today is still very dependent on the export of raw materials by the extractive sector. The population is still growing at a faster rate than GDP growth and the country far from achieving domestic food security status and still very much dependent on fossil fuel for its energy source with only 30% of total households having access to formal electricity supply. (27)

Today PNG is still ranked as the lead nation in the exports of logs and other raw natural resources, one of the leading tuna exporting countries, and has allowed investors such as BHP Australia and Rio Tinto USA to abdicate environmental damage responsibilities in Fly River in Western Province, and Jaba River in Bougainville this year.

### **3. National Strategy for Responsible Sustainable Development (StaRS)**

Cognizant of these realities and in particular the knowledge that global circumstances have changed in terms of consciousness around sustainable development the O'Neil/Dion Government in October 2013 approved and adopted the use of Sustainable Development Paradigm as the guiding philosophy for all future development policies and plans.

The intention is for sector and national development strategies to be directed at achieving sustainability in the three spheres; economic, ecological and social. In economic sustainability terms the call is for growth to achieve steady state economy. In terms of ecological sustainability the call is to control the main drivers of environmental degradation, overpopulation, and overconsumption and excessive depletion of our natural resources. In terms of social sustainability it is a call for greater focus on improving quality of life, greater commitment to social cohesion and social capital and commitment to Lisbon Principles of Sustainable Governance.<sup>1</sup>

In April 2014, THE STRATEGY, the first version of the National Strategy for Responsible Sustainable Development was adopted and launched as the guiding paradigm for the design of all future development policies and plans. In 2015, the second version, now known as StaRS, was published.

According to Prime Minister O'Neil StaRS sets the foundation for the adoption of PNG's new strategic direction for development and post-2015 development agenda. (28) This recognition, by the government, of the foundational and philosophical character of StaRS, places it in a truly strategic place in the cascading logic of development policies and plans.

It stands alongside the National Goals and Directive Principles of the Constitution as twin pillars on which all developmental plans hang, and together they provide the foundational philosophical tenets for future development policies and plans. This is represented in Figure 01 below.

The government recognized that whilst the medium and short term plans would continue to rely heavily on natural resource extraction the country needed to begin a deliberate process of building a truly responsible steady state economy and sustainable society.

The country needed to confront and deal with questions such as:

- How to sustain itself in terms of food and energy?

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<sup>1</sup> Commitment to the Lisbon Principles of Sustainable Governance, being: responsibility; scale matching (governing at appropriate level); precaution (i.e. the Precautionary Principle); adaptive management; full cost allocation (internalizing externalities); and participation).

- How to generate the basis of an economy that produces clean and green products that are competitive internationally?
- What the changing world consciousness around climate change resilience means in terms of value of the country's rainforest stock?
- What the real value of its tuna stocks and biodiversity is?
- How it intends to address population growth as an underlying causality? (29)

Figure 01: cascading logic of twin pillars and development plans

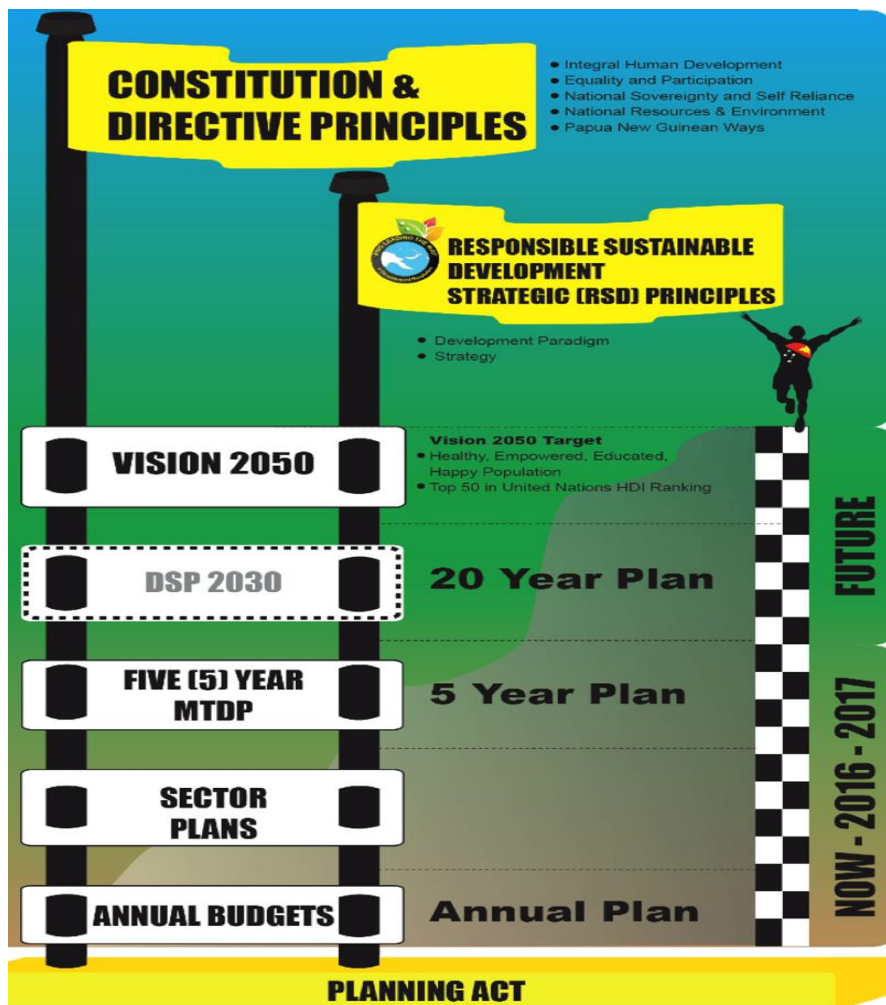


Diagram 4A: The Planning Framework

StaRS, recognizes that as the worlds natural resources are depleted PNG's unique natural capital such as: forests and biodiversity, marine resources and tuna, waters resources, agriculture, eco-cultural tourism, clean air etc, if managed sustainably will grow in greater value, thereby forming the basis of the country's comparative advantage architecture into the future. Based on this rationale it advocates a shift in investment to develop them as growth pillars for a new responsible and sustainable economy going forward.

In strategic terms StaRS is advocating sustainable economic growth based on the strength of the country's naturally endowed assets but that the growth be based on green growth principles aimed at achieving economic, ecological and social sustainability in the long term.

As one of the twin pillars providing the foundational philosophical tenets for future development policies and plans, it prescribed twenty-one principles to guide development planning, policy making and actions going forward. These principles are consistent with the Rio+ 20 Resolutions and attempts to establish a new development paradigm - one that is 'human well being centred' and based on prudent stewardship of naturally endowed wealth and ecology. The 21 guiding principles are:

- 1) *Internalization of externalities*: Holding to account the originators of negative impacts of careless behavior and actions.
- 2) *Drives Innovation*: Investing in new approaches to planning and work practices that ensure environmental stewardship without sacrificing economic growth.
- 3) *Maintains economic growth*: Growth strategies designed to sustain economic growth on the platform of responsible Inclusive Green Growth principles.
- 4) *Promotes Open competitive markets and avoids trade restrictions*: Investing in trade policy measures for environmental purposes that do not possess arbitrary or unjustifiable discrimination or a disguised restriction on international trade.
- 5) *Creates decent work and green jobs*: Creation of green jobs across sectors as engines of development – jobs to help protect ecosystems and biodiversity; reduces reliance on fossil fuel energy, materials, and water consumption through high efficiency strategies that de-carbonize the economy.
- 6) *Inclusive, democratic, participatory, accountable, & transparent Governance*: Need for efficient, effective, inclusive, transparent & accountable governance institutions to plan, implement, monitor and evaluate Green Growth development programs in an integrated manner to achieve triple wins on economic, social and environmental fronts.
- 7) *Equitable, fair and just – between and within countries and between generations*: Equitable Green Economy is transparent and engages all affected actors & stakeholders, with powerful actors having clearly defined responsibilities and forms of accountability, while making sure other stakeholders are empowered to act both as beneficiaries as well as contributors to the Responsible Green Economy.
- 8) *Poverty reduction & promotion of well-being, livelihoods*: Calls for governments, business and industry and people to co-operate in the task of eradicating poverty.
- 9) *Facilitates education & skills development*: Green Growth should facilitate for the development of appropriate skills and education to enable people and communities to exist productively in the changing global environment.
- 10) *Supports human rights, workers rights*: Decent work is about been productive and secure; ensure respect of labour rights; provides adequate income; offers social

protection; and includes social dialogue, union freedom, collective bargaining and participation.

- 11) *Retains & protects biodiversity & ecosystems services*: This is a call for all forms of development to protect biodiversity and ecosystem.
- 12) *Is resource and energy efficient*: Calls for the efficient use of natural resources, ensuring clean energy access for all, lowering the carbon content per unit of GDP output and reducing polluting emissions to the atmosphere and environment – land, rivers, sea and air.
- 13) *Respects planetary boundaries or ecological limits or scarcity*: Calls for the respect of planetary boundaries and the limits of the ecology to sustain life and that without stewardship such human footprint can destroy the ability of the planet to recover.
- 14) *Sustainable Production & Consumption lifestyles*: Promotes forms of growth that achieve sustainable development & higher quality of life for people - reducing and eliminating unsustainable patterns of production and consumption and promotion of stable population growth.
- 15) *Be low carbon and low emissions*: Combating climate change and its adverse effects by reducing emissions of carbon dioxide and other greenhouse gases to 1990 levels as agreed to in the Kyoto Protocol.
- 16) *Precautionary approach*: Precautionary principle should be applied to ensure that new products and technologies do not have destructive or unexpected effects on environmental, social, or human wellbeing.
- 17) *Is a means for achieving sustainable development*: Inclusive Green Growth is directed at achieving sustainable development and achieving a high quality of life.
- 18) *Uses integrated decision making*: Inclusive Green Growth responsibility involves a wide range of stakeholder's so inclusive consultation and decision making is essential to cultivation of community wide ownership.
- 19) *Beyond the GDP Principle*: Recognizes the inherent limits of using GDP as a measure of progress and welfare but to use other measures such as HDI and human well being indicators to measure development.
- 20) *Promotes international cooperation and avoids conditionality's on Overseas Development Assistance and finance*: Promotes Global partnership & cooperation in poverty eradication, protection and restoration, health & integrity of the Earth's ecosystem through improved scientific & technological knowledge by enhancing the development, adaptation, diffusion & transfer of technologies.
- 21) *Is resilient to risks and shocks*: Based on the Resilience Principle that calls for the building of economic, social and environmental resilience. Resilience - emphasizes that diversity and diversification are preconditions for sustainability and quality of life. (30)

Cognizant of the fact that the integration and realization of sustainable development growth strategies in past Medium Term Development Strategies and sector Plans had been difficult, StaRS did not dictate to sectors how they should be integrating sustainability in their

development plans instead it recommended these guiding principles with the intention that all Sector plans would translate them into their growth strategies going forward.

In May 2015, the Government adopted the Medium Term Development Plan 2 (MTDP2) as the new development road map predicated on the platform of Sustainable Development. The plan embraced the sustainable principles prescribed by StaRS and aims to; increase the country's Human Development Index (HDI) rating in 2016-2017 towards it being in the top 50 countries on the HDI by 2050; and to achieve this by and through becoming a world leader in Responsible Sustainable Development modality of growth. (31)

Underpinned by this new development paradigm advanced by StaRS, other consequent policies such as; National Climate Compatible Development Management Policy, National Population Policy aimed at stabilizing population growth, WaSH policy aimed at the embedding of sustainable practices in the management of water, sanitation and health practices in the country, National Energy policy aimed at cleaner and sustainable energy were also adopted. These plans are now in place and agencies of Government overseen them are endeavouring to integrate the sustainability principles in the growth activities going forward.

To realize this paradigm shift in the long term, a Planning Bill has also been enacted by Parliament giving the Department of National Planning and Monitoring the legal mandate to direct the design of annual resource framework of the country to enable the shift away from the current brown growth mode and towards a greener and sustainable mode of growth.

The enactment of the enabling law is seen as essential to bringing greater discipline into the process of aligning resource planning - budget framing and fiscal policy with development policies and plans to guide the integration of the principles of Sustainable Development in sector plans.

#### **4. Current Challenges in Sustainable Development in PNG**

A number of factors have contributed to the current landscape of unsustainable development in the country as well as constraints to current efforts under StaRS. These are:

- *Environmental Kuznet curve rationale in development policy:* PNG like other developing countries is a later starter in the neo classical economic model development race. The underdevelopment or at worst the absence of key enablers for sustained socio-economic advancement, such as basic infrastructure, has necessitated the need for successive government of the past to subscribe to the environmental kuznets curve rationale in development strategies. Driven by the need to pay for the development cost of such key enablers, successive governments have had to make difficult decisions to put economic development ahead of ecological and social sustainable development.

The sacrifice of the ecological health of rivers such as Fly in Western Province and the Jaba in Bougainville, the biodiversity destruction of rainforests in many parts of the country and the soil degradation of the wastelands of alluvial mining of the Bulolo valley are testament to the environmental and ecological sustainability sacrifice that PNG has had to make in its drive to grow the economy.

- *Influence on development policy by neoclassical economics driven Foreign Direct Investment:* According to Daly (1991), another assumption of neoclassical economics is that resources are finite, that when one dries up there will always be another and technology will always find cheap ways to exploit this (techno-centrism). (32) It ignores the absolute dimension of scarcity. This type of mindset driven principally by some investors has influenced development policy in major sectors such as Fisheries and Forest where there has been uncontrolled overfishing and destruction of forests in the name of economic growth.
- *Predomination of neoclassical economics austerity policies:* In its short history PNG faced Structural Adjustment Programmes, imposed by World Bank and the International Monetary Fund, that were designed to bail out the country from its economic woes. Such austerity gave economic growth priority consideration ahead of environmental and social sustainability.
- *Lack of political will by politicians:* Haydn Washington (2015) the author of the book; 'Demystifying Sustainability' points out that the key problem with achieving sustainability is lack of political will. Government that takes hard decisions regarding the protection of environmental services at the expense of job creation and economic growth (which are hall marks of economic growth) is likely to lose voter support. (33) PNG Governments of the past have had to succumb to such pressure in decision making and in so doing have allowed unsustainable modes of growth in almost all sectors of the economy and even society in general.
- *Sustainability Illiteracy:* Baloiloi (2015) asserts that a major part of the problem of lack of commitment by successive governments to sustainable development is associated with the high level of 'sustainability illiteracy' among top decision makers including political leaders. (34) The same is also true for many rural and urban communities. Many are not even aware that the current human ecological footprint has exceeded the Earth's productive capacity. Many rural communities continue to believe that the biodiversity around them is infinite and cannot be exhausted.

This is the case with past efforts associated with trying to integrate sustainable development principles in development plans and programmes. The current; 'PNG EM MI YAH', nationwide education and public campaign, run by the Department of National Planning and Monitoring on the StaRS, is aimed at addressing this illiteracy problem.

- *Lack of human resource:* According to the National Research Institute one of the shortcomings of implementation of past development plans in the country has been the problem of lack of resources, which includes human resource. (35) UNEP also asserts

that a skilled workforce is a prerequisite for shift towards a green economy and further suggests, that current shortages in skilled labour could frustrate efforts by governments to transition to a green economy and deliver the expected environmental benefits and economic returns. There is also need to ensure managers develop the new perspectives, awareness and capacities required for ensuring a smooth transition. The report noted that businesses will need to ensure that their managers are able to learn and understand the new skills needed to respond to the changes taking place within their realms of responsibility; to develop more green-oriented managerial capacities; as well as to make adequate use of the skills their staff has obtained. (36)

## 5. Summary

PNG like many developing countries embarked on the development and modernization journey using models put in place by their colonizers. The development strategy was predicated principally on the neoclassical economics open market, demand driven, growth-based paradigm, resulting in rapid increase in population and an equivalent huge appetite in terms of resources to sustain it. This has led to unsustainable modes of resource exploitation resulting in permanent and ongoing damage to the country's richly endowed environment and biodiversity.

The rise in global consciousness and concern about the impact of the human footprint on the planet and its consequences on incidences of global warming and climate change has alerted PNG to the growing awareness that the country's unique natural resources are finite and cannot sustain endless growth without causing permanent destruction to the ecosystem.

StaRS stands alongside the Five National Goals and Directive Principles of the National Constitution as twin pillars on which (like a coat hangar) all development plans will hang in alignment. It provides principles to guide the design of policy and planning and development action in achieving sustainability outcomes in the countries development fortunes going forward.

It awakens the country's conscience to the fact that the country's socio-economic growth so far has been achieved largely through unsustainable harvesting of natural resources and widespread degradation and loss of the ecosystem – mode of growth that is now being rejected globally because it is both ecologically and socially unsustainable.

Based on this growing global consciousness, it advances a new development vision, one that is based on the fable of the; 'goose and the golden egg', that in order to continue to harvest the golden egg i.e. economic, ecological and social outcomes, the country needs to look after the goose – the ecosystem services – natural resources. Further, it provides the framework for development planning and action going forward that is economically strategic, human development centric with an intergenerational perspective.



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