

## The 2013 PNG-Australia Ministerial Forum: one step forward, one step back

**Author :** Ashlee Betteridge and Stephen Howes

**Date :** December 16, 2013

Aid was a centrepiece of the talks at the 22nd Papua New Guinea–Australia Ministerial Forum, held last week (Wednesday December 11) in Canberra and chaired by the two countries' Foreign Ministers. While in some areas little new ground was covered and previous commitments were simply recommitted, there were some notable inclusions in the [communique](#), and some significant omissions.

### Gender

Gender was [completely absent](#) from the communique at the last forum, so it was very positive that it was prominent this year.

“The PNG Government recommitted to implementing commitments made under the 2012 Pacific Leaders Gender Equality Declaration, including increasing funding for services for women survivors of violence across the country, particularly women's refuges and Family Support Centres in all provinces.”

Australia also commended PNG's passing of the Family Protection Bill and reaffirmed its commitment to work with PNG to address the epidemic of gender violence.

### Drugs procurement

While gender was a positive for the forum, the big negative was medical supplies. We know from [Devpolicy](#) and [Fairfax](#) reporting that PNG has just signed a drug deal that has awarded a huge contract to a company that lacked the required quality standards accreditation. The result puts lives at risks, and is in violation of an agreement with the Australian Government. Indeed, the last Ministerial communiqué says that we will be supporting PNG with a “delegated procurement arrangement” which raises the question of how this happened. This disturbing development is directly relevant for the aid program since the aid program is meant to be financing the distribution of the drugs purchased, and why would you distribute potentially counterfeit drugs?

Yet clearly we do not want to offend PNG Government. We need them to implement Manus. And so the communiqué avoids any reference to the recent debacle. Instead all it says is:

“Australia confirmed its support for Papua New Guinea's reforms of its government procurement systems, including the establishment of the Independent Health Procurement Authority and the Infrastructure Development Authority, reforms which will be essential in generating better value for money and accountability for public finances in compliance with PNG laws.”

“Ministers recognised that improving the transparency and accountability of public finances and procurement was important to reducing opportunities for corruption.”

And so we endorse good principles, knowing that they are being violated in practice. Presumably the aid-funded drug distribution will no longer go ahead, but where is Australia's voice on this critical issue of mutual accountability?

### Aid priorities

A number of these commitments [sounded similar](#) to those made by PM Rudd earlier this year when making the asylum seeker deal with PNG, such as the focus on aid for infrastructure. Australia “committed to undertake an assessment of its aid investment in Papua New Guinea in close consultation with the PNG Government to reflect both Governments' priorities.”

“The assessment will position the Australian aid program to address the key constraints to sustainable economic growth and equality in Papua New Guinea; focus on private sector led growth; be subject to clear performance benchmarks and mutual accountability for both investments and results.”

The move also reflects Foreign Minister Julie Bishop’s view that the aid program should focus more on growth and infrastructure. In an interview on the sidelines with [the ABC](#) and in a blog post for the [Lowy Interpreter](#), Bishop made statements to this effect, saying it was time to change the focus of aid to PNG and the nature of the relationship.

"We are the largest donor to PNG and we want to ensure the funding we provide is able to go to developing a sustainable economy," she told the ABC. "We want to move away from direct service delivery, like medicines and school books."

#### **Other notable mentions**

- Ministers committed to working together to maximise the take-up of places under the Seasonal Worker Program and to provide more opportunities for Papua New Guineans.
- Ministers welcomed Papua New Guinea's progress in establishing a Sovereign Wealth Fund (SWF) in-line with international best practice. Again, this would seem to ignore the fact that progress has stalled.
- Youth were also recognised in the communique, as was building ‘people-to-people’ links through the New Colombo Plan, Emerging Leaders Dialogue and a yet-to-be-established Australia-PNG Network, which will ‘create an online space for collaboration’.