



OCTOBER 2008

- **PNG Independence Day Celebration**

The NZPNGBC recently celebrated 33 years of Independence for Papua New Guinea over drinks and canapés in Auckland's brand new Owen G Glenn Building.

This year's occasion also saw the landmark achievement of the adoption of a Memorandum of Understanding between the New Zealand Pacific Business Council and the Papua New Guinea Business Council. The Chairmen of both Councils expressed their delight at seeing the long awaited MOU come into force.

- **PAPUA NEW GUINEA'S TELIKOM CUTS CALL RATES**
Deals 'among best in world'

PORT MORESBY, Papua New Guinea (PNG Post-Courier) - Telikom PNG Limited has further slashed its call rates, giving customers price deals it says are "among the best in the world." Telikom international calls are now priced at 79 toea [US\$0.31] per minute off peak. International SMS text messages are now priced at 40 toea [US\$0.16] per message sent, no matter how remote the destination. Telikom SMS is available to 102 countries world wide, 73 of which are in both-ways contact. The domestic rate for a SMS text message is 22 toea for each message. A special deal for Olympic athletes representing PNG in Beijing has also been given by Telikom. Twenty mobile phones, each with a credit of PGK200 [US\$79], have gone to the Olympic Games with the PNG team, so that athletes and managers can be in contact with family and supporters at home, for encouragement and support. Telikom mobile roaming is available in China. The demand for Telikom mobile services has also seen an increase in the capacity of the mobile phone and SMS platform that carries B-Mobile calls.

- **PNG'S MOUNT HAGEN SHUTS DOWN**
Police patrol uneasy streets after election

PORT MORESBY, Papua New Guinea (PNG Post-Courier) – Mount Hagen City streets were empty yesterday with all business houses closing shop as police and private security officers took control. All traffic into the city's main streets was blocked off with police and security dog handlers manning the streets. This followed the election of the Mt Hagen rural LLG president that was tipped to cause unrest in the city. Dei LLG and Mt Hagen rural elections were conducted yesterday with only councillors allowed into the chambers to cast their votes. Visitors and foreign tourists flocking into Mt Hagen for the cultural show this weekend were denied access into the city while some were locked away in their hotel rooms. The city was cleared of people starting as early as 7am as all the shops closed. Police mobile units from Kerowagi and Wabag were called in to watch the city while the elections took place.





- **Airline set for million passenger milestone**

Papua New Guinea's (PNG) national carrier Air Niugini will handle one million international and domestic passengers by the end of this year, marking a significant milestone in its 35-year history, *Post Courier reports*. The national airline's milestone will also come at a time when airlines around the world are under considerable pressure from high fuel costs. The Government yesterday praised the national carrier, saying the recent re-fleeting program and other initiatives would pave the way for further growth. PNG State Enterprises Minister Arthur Somare said the re-organisation of the airline's fleet and various other infrastructure issues had made the daily management of the airline a highly challenging task. "Air Niugini's performance is especially commendable because domestic passenger traffic has generally grown by 2 to 5 per cent annually with passenger numbers falling in some years," Mr Somare said. Air Niugini's domestic passenger traffic grew by 15 per cent in 2006 and by 10 per cent last year.

- **AUSTRALIA SIGNS FUNDING PACT WITH PNG, SAMOA**
Recipients must first meet UN development goals

WELLINGTON, New Zealand (Radio New Zealand International) - Australia has signed aid agreements with Papua New Guinea and Samoa that are designed to herald a new approach towards funding given to Pacific countries. The so-called Partnerships for Development will reward countries only after they meet detailed commitments that are designed to improve their nations. Australian Prime Minister Kevin Rudd today signed the first agreements at the Pacific Islands Forum leaders' meeting in Niue this week. He said most Pacific nations were not on track to meet key United Nations development goals, and the new funding arrangements were needed to help achieve them. The Partnership with Papua New Guinea aims to encourage the country to provide better access to markets and services, faster progress towards universal education, improved health outcomes, and better public administration. Because Samoa is one of the few countries that is on track to meet UN goals the agreement with that country requires more developed commitments, including private sector-led growth and employment, economic integration and strengthened law and justice agencies.

- **PM thanks Rudd govt for inclusion**

Papua New Guinea's (PNG) Prime Minister Sir Michael Somare yesterday thanked the Australian Government for including PNG in the "pilot" programme for a guest worker scheme, *reports Post Courier*. "The decision is most welcoming and demonstrates once more the Australian Government's readiness to engage more meaningfully with Pacific Island governments to address economic challenges," Sir Michael said in Niue where he is attending the 39th Pacific Island Forum leaders' summit. He said the decision had not come without its detractors and critics. Sir Michael said: "That can be expected from those who have nothing constructive to offer. "I am convinced that the benefits in terms of exposure to different work culture, opportunity to





learn new skills and moreover, earn cash will enable the recipients to make more useful contributions to the economy and the country,” he said after the Australian Government made the formal announcement before the Pacific Islands Forum Leaders summit. Sir Michael said the pilot project would have its “teething” problems. “While the New Zealand seasonal employers scheme will complement the Australian program, their (New Zealand) experience means we have to be prepared to make the necessary adjustments,” he said. “However, the Australian Government can be assured of the PNG Government’s commitment to working closely with them to ensuring the scheme is successfully implemented for the mutual benefit of our governments and peoples.” Sir Michael said the pilot project would only cover the horticulture sector and involve about 2500 workers in the initial phase. “I hope as we improve the mechanisms for the delivery of this scheme, we will be able to expand it to include other sectors,” Sir Michael said....PNS (ENDS)

PNG TO HOST HIGH LEVEL HUDDLE OVER FIJI

Forum leaders to consider expulsion of Fiji PORT MORESBY, Papua New Guinea (PNG Post-Courier) – Papua New Guinea has put up its hand to host the Special Leaders Meeting by the end of this year to determine the possible expulsion of Fiji from the 16-member grouping of the Pacific Islands Forum. At 4pm PNG time yesterday Prime Minister Sir Michael Somare agreed to host the special meeting which will see all leaders of the member countries (Australia, Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Nauru, New Zealand, Niue, Palau, Republic of Marshall Islands, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu) meet in Port Moresby to elaborate on the issue. Yesterday, all member nations met extensively on the option of expelling Fiji from PIF but agreed to defer the decision which will be made by Forum leaders at a special meeting expected to be convened before the end of the year. Pacific leaders met at the Matavai Resort in Niue and announced after lengthy discussions on Fiji’s withdrawal from the meeting and refusal to meet the March 2009 general elections deadline. Premier of Niue and new forum chairman, Toke Talagi told journalists the decision to discipline Fiji is “consistent” with provisions of the Biketawa Declaration. They also agreed that Fiji must hold elections and failing that will face the consequences.

- **PNG PLANS \$280 MILLION SCHOOLS UPGRADE**
Deteriorating facilities, lack of books

PORT MORESBY, Papua New Guinea (The National) – The Papua New Guinea government has unveiled a two-pronged plan worth over PGK700 million [US\$280 million] to improve infrastructure in schools and address textbook shortage in schools. The massive funding comes at a time when public attention has been directed at deteriorating infrastructure and facilities in schools, and poor results associated with the outcome – based learning system, introduced six years ago. Cabinet last Wednesday approved K500 million to be spent over five years for the supply of textbooks and curriculum materials to all elementary, prep and primary schools. This new funding is additional to K230 million the Education Department already had sitting in a trust





account in a commercial bank, ready to be drawn down for infrastructure development projects. Acting Education Minister Sani Rambli announced the textbook and infrastructure plans at a press conference in Port Moresby last Friday. Mr Rambli said K100 million would be provided by the Government every year for five years to ensure each school received textbooks and curriculum materials, which currently were lacking. He said the current ratio of students to textbook was 10 to one, and in many remote schools, it was 20 students to one textbook.

PNG SEEKS GAS PROJECT LOAN IN ABU DHABI

Government to finance 19 percent stake

PORT MORESBY, Papua New Guinea (PNG Post-Courier) - The Papua New Guinea Government is going around the world looking for money to secure its equity in the multi-billion-kina liquefied natural gas (LNG) project. Amid this, the Government, led by State Enterprises Minister Arthur Somare, will be briefing the Opposition on the LNG gas agreement as well as the project today. The Opposition will, after the briefing, decide whether to boycott the September 18 parliament sitting. Mr. Somare and the Independent Public Business Corporation (IPBC) managing director Glenn Blake traveled last week to the capital of United Arab Emirates, Abu Dhabi, to find money to fund the Government's 19.4 percent equity in the PNG LNG project of about PGK3 billion (US\$1.2 billion). A senior IPBC executive revealed this to the Post-Courier yesterday, hours before Treasury Secretary Simon Tosali told the newspaper that Cabinet had instructed "everyone" to go out and look for international partners who could fund the Government's equity in the project.

- **Treaties promise benefits for PNG**

PORT MORESBY (Pacnews) ----- The Papua New Guinea (PNG) Government will soon be obligated to provide citizens adequate housing, health services and education amongst a number of other things when it signs two international human rights treaties next month. Acting United Nations resident coordinator Hamish Young revealed this yesterday at the opening of the Human Rights – where are we after 33 years seminar in Port Moresby. He said that when Papua New Guinea would become a party to the International Covenant on Civil and Political Rights and the International Covenant on Economic Social and Cultural Rights next Oct 21, we would be required to ensure the respect for many rights, including the right to the highest attainable standard of physical and mental health, education and adequate housing. Mr Young said the two treaties, together with the Universal Declaration, constitute the International Bill of Rights and would create binding legal obligations and PNG would be required to report to the UN Treaty bodies on the implementation of the rights set out in these treaties. The two treaties, the current human rights workshop and moves to establish an independent National Human Rights Commission are not being overlooked by the United Nations and according to Mr Young, shows that the Government is determined to put everything that had gone wrong, right and ensuring that its human rights reporting track record is improved. His views were shared by United States





Ambassador Leslie Rowe who highlighted that the way forward for any democracy was to entrust citizens with basic freedom that allowed them to correct the deficiencies that stood in the way of human rights. She also pointed out three essential and mutually reinforcing elements that needed to be present for progress to be made and sustained. They were a free and fair electoral process; a need to have representative, accountable and transparent institutions and lastly, a vibrant, independent civil society, including unfettered political parties, non governmental organisations and a free media.

PNG GOVERNMENT TO LAUNCH \$5 MILLION TV STATION *To broadcast using Internet technology*

PORT MORESBY, Papua New Guinea (PNG Post-Courier) - The Papua New Guinea Government is set to launch its television station today, with broadcasting expected to start at 6 p.m. until midnight on channel two. Residents in Wewak, Mt Hagen, Lae, Kokopo, Goroka and Port Moresby will get the chance to see the station, dubbed the National Television Station (NTS), being aired in this pre-launch but not other towns. [*PIR editor's note: According to Radio New Zealand International, National Television Station is to be the second TV station in Papua New Guinea.*] Special technical adviser Noel Mobiha said yesterday the launch today would be a pilot transmission test as part of the first phase of the PGK12 million [US\$5 million] project. Mr. Mobiha said the television would be using the cutting edge Internet TV technology, meaning pictures and speeches can be sent quickly. Internet TV was relatively a low investment service which transmits using existing infrastructure including broadband, ADSL, Wi-Fi, cable and satellite which makes it a valuable tool for a wide variety of service providers and content owners looking for new revenue streams.

LUCRATIVE COFFEE FLOURISHES IN PNG HIGHLANDS *Province generates up to \$40 million a year*

PORT MORESBY, Papua New Guinea (The National) - The thriving coffee-related businesses in Kainantu and Obura-Wonenara districts in Eastern Highlands province generate PGK50 million to PGK100 million [US\$20 million to US\$40 million] annually. These two districts account for 65 percent of exportable coffee from the province. Philip Noya, deputy chairman of Eastern Highlands PNG Coffee Block Holders Association, disclosed this when he stressed the need for more credit facilities and commercial banks in Kainantu to meet the banking needs of traders and businessmen from the two districts. Mr. Noya said Kainantu, although labeled as "Cowboy town," is a peaceful place with huge potential to develop its economy. "Major coffee plantations in the districts are Clarens, Norikori, Gadsup, Barokira, Arona Valley Development Association, Colbrand and Ramu Coffee Plantations. "We also have five coffee processors which are Ramu Coffee, Arokara, Kainantu Coffee Factory, Agoga Coffee and Colbrand Plantation," Noya said.





He said because of these sustained coffee activities, there are heavy bank transactions in Kainantu daily. Noya said their operations were severely affected by the recent closure of the BSP Kainantu branch. He, however, was thankful to the BSP management for re-opening of the branch. Apart from the major plantations, there are hundreds of small-holder growers in the two districts contributing towards the annual coffee export earnings, he added. "However, deteriorating rural road work has been one of the major hurdles in bringing out coffee produce from isolated rural areas," he said. Noya expressed regret over the transfer of the National Development Bank (NDB) from Kainantu to Mutzig in Morobe province, saying several coffee growers have been disadvantaged. He called on relevant Government and private organizations to enliven business interests in Kainantu and Obura-Wonenara districts to further increase economic spin-off benefits for the people.

- **PNG/Solomon Islands to hold meets in Honiara**

19 SEPTEMBER 2008 PORT MORESBY (Pacnews) ----- Senior officials from Papua New Guinea and Solomon Islands will meet in Honiara next week for their annual consultation talks and their joint border committee meeting, *Post Courier reports*. The first will be the joint border committee meeting which will be held from 22- 23 September and would be followed by the 7th PNG/SI bilateral consultation meeting, from 24 – 26 September. Solomon Islands high commissioner to PNG, Bernard Bata'anisia, said arrangements were in place in Honiara for the series of meetings, which will be held in Honiara. Issues discussed will range from political to security, trade, economic, investment as well as border issues, Mr Bata'anisia said. The meetings also provide an opportunity for both governments to review their co-operation arrangements and advance their bilateral relations and interests. The last bilateral consultation meetings and joint border committee meetings were held in PNG in 2006.

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