



JOINT STATEMENT

18TH PAPUA NEW GUINEA-AUSTRALIA MINISTERIAL FORUM

Madang Resort Hotel, Madang

23 April 2008

1. The 18th Papua New Guinea-Australia Ministerial Forum was held at the Madang Resort in Madang on 23 April 2008.

2. Hon. Samuel Abal, Minister for Foreign Affairs, Trade & Immigration co-chaired the Ministerial Forum and led the Papua New Guinea delegation which included Hon. Paul Tiensten, Minister for National Planning and District Development, Hon. Patrick Pruaitch, Minister for Treasury and Finance, Hon. Dr. Allan Marat, Minister for Justice and Attorney-General, Hon. Bob Dadae, Minister for Defence, Hon. Sani Rambai, Minister for Internal Security, Hon. Sasa Zibe, Minister for Health and HIV/AIDS, Hon. Charles Abel, Minister for Culture and Tourism, Hon. Benny Allen, Minister for Environment and Conservation, Hon. Dame Carol Kidu, Minister for Community Development, Hon. Gabriel Kapris, Minister for Commerce and Industry, Hon. Job Pomat, Minister for Inter-Government Relations, Hon. John Hickey, Minister for Agriculture and Livestock, and Hon. Tony Aimu, Minister for Correctional Services.

3. The Australian delegation was led by the Hon. Stephen Smith, Minister for Foreign Affairs, and included the Hon. Simon Crean, Minister for Trade, Senator the Hon. Penny Wong, Minister for Climate Change and Water, the Hon. Peter Garrett, Minister for the Environment, Heritage and the Arts, the Hon. Martin Ferguson, Minister for Resources, Energy and Tourism, the Hon. Bob Debus, Minister for Home Affairs, the Hon. Bob McMullan, Parliamentary Secretary for International Development Assistance, the Hon. Duncan Kerr, Parliamentary Secretary for Pacific Island Affairs and Senator the Hon. Jan McLucas, Parliamentary Secretary to the Minister for Health and Ageing.

4. In his opening remarks, Hon. Samuel Abal welcomed the Hon. Stephen Smith and members of the Australian delegation to the Forum on behalf of the Government of Papua New Guinea. Hon. Abal referred to the 'rebirth' in Papua New Guinea-Australian relations agreed to by the Prime Ministers of the two countries at the margins of the UN Climate Change Conference in Bali, Indonesia, in December 2007 and Prime Minister Rudd's visit to Papua New Guinea in March this year. The Forum was held in this spirit of renewal and cooperation.

5. In response, the Hon. Stephen Smith thanked the Papua New Guinea Government for hosting the 18th Ministerial Forum and acknowledged the warm

welcome and hospitality extended by Hon. Abal and the Papua New Guinea delegation. The wide range of matters which would be discussed at the Forum reflected the commitment of both Australia and Papua New Guinea to give substance to the new era of cooperation and partnership in the bilateral relationship.

Australia-Papua New Guinea Partnership for Development

6. The Forum welcomed the commitment of both countries to the reinvigorated state of relations and a new phase of engagement, underpinned by a partnership of mutual trust, respect and responsibility. The Forum welcomed the 'Port Moresby Declaration' made on 6 March by the Australian Prime Minister, the Hon. Kevin Rudd MP, which outlined Australia's commitment to implementing long term development partnerships with Pacific Island countries. The Forum agreed that, in the interests of further consolidating their excellent bilateral relations, Australia and Papua New Guinea would immediately commence negotiations for a bilateral Partnership for Development with the objective of achieving improved development outcomes in Papua New Guinea, including more rapid progress towards achievement of the Millennium Development Goals.

7. The Forum also acknowledged the importance of establishing benchmarks, indicators and performance monitoring for the implementation of the Australia-Papua New Guinea Partnership for Development, with a particular focus on the Millennium Development Goals and other agreed indicators.

8. The framework for this Partnership for Development will be developed over the coming months, with a view to it being signed by the respective Prime Ministers during the Pacific Island Forum Leaders' Meeting in August 2008.

Long Term Development Strategy

9. The Forum noted the proposed Long Term Development Strategy for Papua New Guinea for the period 2010-2030 and the Papua New Guinea Government's long-term goals of economic independence, growing the economy by ten per cent per annum and achieving high-quality education and health systems and standards. In particular, setting out key areas of proposed focus on rehabilitation and expansion of existing key hospitals, construction of major impact road infrastructure, major ports, wharves and jetties, achieving high-quality education through reform of the existing education system and more focus on skills development through rehabilitation of universities and the establishment of polytechnic training institutions.

10. The Forum noted that this policy framework highlighted the Papua New Guinea Government's long-term goals for socio-economic growth to be implemented through successive five-year Medium Term Development Strategies to be called the Long Term Development Strategy 2010-2030.

11. The Australia-Papua New Guinea Partnership for Development will recognise and will be consistent with these long-term goals.

Enhanced Cooperation Program/Strongim Gavman Program

12. The Forum noted the recommendations of the joint ECP Review and agreed that the deployment of senior experienced Australian government officials to Papua New Guinea agencies was invaluable and should continue through a revised program, renamed as the *Strongim Gavman Program*. The Forum agreed that the scope of present deployments was appropriate but should be reviewed progressively, through appropriate sector-wide coordination mechanisms. The Forum agreed that an annual high-level (officials) joint strategic oversight arrangement should be established, whilst program management and coordination should occur at the sector level in line with arrangements for the broader development assistance program. The Forum endorsed an implementation plan for the review recommendations, including arrangements to strengthen program management and coordination.

13. The Forum decided that the *Strongim Gavman Program* would focus on the law and justice sector, economic and public sector reform, the transport sector and border security. The Forum agreed the *Strongim Gavman Program* would be fully integrated with the overall Australian development assistance program. The Government of Papua New Guinea indicated that, in light of the Forum's agreement to the new *Strongim Gavman Program*, visas for deployees under the program would henceforth be issued to cover the whole of their intended placements. Officials would report back to the next Ministerial Forum on progress.

Policing assistance

14. The Forum endorsed a renewed policing partnership between the Australian Federal Police (AFP) and the Royal Papua New Guinea Constabulary (RPNGC). The Forum welcomed the collaborative and consultative first phase of the partnership that would provide timely support while developing a comprehensive longer term program of support for the RPNGC. The Forum noted that this assistance was consistent with the Papua New Guinea reform agenda for the RPNGC as outlined in the 2004 Administrative Review. The Forum welcomed the signing of bilateral Memoranda of Understanding between the AFP and the RPNGC, the Department of Foreign Affairs, Trade and Immigration and the Internal Revenue Commission establishing a framework for general cooperation on law enforcement issues and the exchange of information between the parties. The Forum agreed to consider options for longer term support to the RPNGC and integration with the wider Papua New Guinea Law and Justice Sector at the 2009 Forum.

15. The assistance should be aimed at enhancing the capacity of the RPNGC in order for it to respond to new challenges Papua New Guinea is facing at provincial and district level. These include trans-national crime (such as arms and drug trafficking, and people smuggling), border security and terrorist activity. Other areas of assistance should include infrastructure support, training and capacity building, fraud and anti-corruption, prosecution in conjunction with the Attorney-General and forensic training.

Kokoda Track

16. The Forum noted that the Kokoda Track has iconic status for the people of Papua New Guinea and Australia. It represents the strong bond forged between us in

times of war and is an increasingly important contemporary meeting point for the peoples of our countries. The Forum recognised the legitimate development needs of the landowners and communities along the Track and that they would require support in improving their livelihoods. The Forum also noted that the Papua New Guinea Government has requested assistance with undertaking a feasibility study for its World Heritage nomination to protect the outstanding natural and cultural values of the Kokoda Track and Owen Stanley Ranges. The Forum welcomed the strong desire expressed by Papua New Guinea to contribute to global initiatives to combat climate change. In this regard, the Forum noted that the Owen Stanley Ranges will be assessed along with other locations as potential sites for demonstration Reduced Emissions from Deforestation and Degradation activities within the Papua New Guinea-Australia Forest Carbon Partnership.

17. The Forum welcomed the signature of a Joint Understanding on the Kokoda Track and Owen Stanley Ranges, under which Australia and Papua New Guinea will pursue these objectives while also contributing to the sustainable development of, and improved economic opportunities for, the landowners and communities along the Track. The Joint Understanding was negotiated in the spirit of the Port Moresby Declaration of 6 March 2008 on cooperation between Australia and its Pacific neighbours, and the principles therein of partnership, mutual respect and mutual responsibility. It sets out objectives and priority areas for cooperation and action, to be jointly pursued by both countries.

Climate change

18. The Forum noted the importance of climate change mitigation and adaptation for both Papua New Guinea and Australia, and agreed on initial steps to advance cooperation under the Papua New Guinea-Australia Forest Carbon Partnership. The Forum noted that Papua New Guinea was developing a national carbon accounting system and that Australia had agreed to provide scientific, analytical and technical expertise. As a first step, Papua New Guinea will hold a national workshop on reducing emissions from deforestation and forest degradation. Australia announced an initial \$3 million to support early cooperative activities under the Papua New Guinea-Australia Forest Carbon Partnership, including on carbon accounting.

19. Recognising their different national circumstances, Australia and Papua New Guinea agreed to share information and explore possible cooperation in the United Nations Framework Convention on Climate Change to ensure that a future international climate change agreement included a market-based mechanism to reduce emissions from deforestation and forest degradation in developing countries.

Defence cooperation

20. The Forum acknowledged Papua New Guinea's success in moving towards its goal of creating a sustainable, effective and professional defence force. Acknowledging the significant demands on both the Australian Defence Force and the Papua New Guinea Defence Force (PNGDF), the Forum noted the importance of working together to maximise efficiencies as Papua New Guinea moves to improve and maintain its defence force capabilities. The Forum noted that, in the spirit of the Port Moresby Declaration, the bilateral defence partnership was based on mutual responsibility.

Accordingly, the Forum agreed that, for its part, the Papua New Guinea Government would meet its obligation to invest adequately in the sustainability of the PNGDF. In response, Australia would invest \$48 million in an assistance package over ten years to improve the PNGDF's maritime and border patrol capability.

21. The Forum also agreed to the extension of the PNGDF Barracks Redevelopment Program by a further five years, with a focus on Australian Defence Force and PNGDF troops working together to improve the living and working conditions of PNGDF personnel and their families. The Forum also noted the recent commencement of arrangements under which Australian Defence Force air assets will assist, where possible, in the movement of PNGDF personnel to and from forward operating bases in Vanimo and Kiunga over the next two years to support troop rotations.

Economic management and public sector issues

22. The Forum welcomed steps in Papua New Guinea to improve public sector performance, noting that the public sector, in partnership with community and private sectors, has an important role to play in Papua New Guinea's progress towards the Millennium Development Goals. Strengthened links and better coordination between national and sub-national levels of government would contribute to improved service delivery at provincial and district levels. The Forum noted the importance of building on Papua New Guinea's sound macro-economic management through further reform to encourage private sector growth and generate employment. Papua New Guinea's present economic position provides an ideal environment to progress a microeconomic reform agenda. The Forum agreed that the Australian and Papua New Guinea Governments should continue to work together on economic and public sector reform. Continued macroeconomic stability, microeconomic reform, and service delivery and public sector reform were agreed as broad priorities for cooperation.

Trade and investment issues

23. The Forum acknowledged the importance of trade and investment relations between the two countries and the need for both governments to ensure continued support to these.

24. The Forum affirmed the importance of trade to the Pacific region to creating jobs, boosting incomes and better enabling countries of the region to respond to economic opportunities. The Forum supported the repeated calls of Pacific Island Leaders and Trade Ministers to move towards a more comprehensive framework for trade and economic cooperation between Australia, New Zealand and Forum island countries, as provided for under the Pacific Agreement on Closer Economic Relations (PACER), to foster economic growth, investment and employment in the Pacific region.

25. The Forum noted that trade officials from Pacific Islands Forum (PIF) members would, as mandated by PIF Trade Ministers, hold informal consultations in New Zealand in early 2008. The Forum looked forward to Australia and Papua New Guinea delegates collaborating effectively in mapping a path towards commencing mutually beneficial PACER Plus trade negotiations. The Forum expressed Australian and Papua New Guinea's mutual commitment that any future negotiations would be conducted in a

cooperative spirit to take forward Leaders' vision of improved trade relations among all PIF members.

26. The Forum agreed that the relevant authorities of the two sides would maintain efforts to address the market access requirements for food crop exports from Papua New Guinea such as bananas and sweet potatoes. The Forum noted that market access arrangements were already in place for other food crops from Papua New Guinea including yams, taro, coconuts, sago leaf and cut flowers, but that producers have not been able to assure continuity of supply into the Australian market.

27. The Forum noted progress of the Liquefied Natural Gas (LNG) project in Papua New Guinea and the ongoing negotiations between the Government and the consortium led by ExxonMobil.

Cooperation in the Torres Strait

28. The Forum affirmed the need for Australia and Papua New Guinea to continue their close cooperation in the Torres Strait. Proper application of the Torres Strait Treaty's free movement provisions was a high priority, especially because of potentially increased cross-border health risks and demand on Australian health services.

29. The Forum noted that both governments were committed to strengthening health systems in Western Province of Papua New Guinea. To reflect this commitment, Australia had agreed to provide funding of approximately \$600,000 for a laboratory capacity and clinical management program focusing on tuberculosis (TB) and multi-drug resistant (MDR) TB control in the South Fly region of Western Province, including at the Daru hospital. This program would contribute particularly to improvement in laboratory capacity overall in the national TB program and work within the broader framework of communicable disease surveillance, management and control in Papua New Guinea.

30. This project reflects the growing partnership and cooperation between Australian and Papua New Guinea health authorities to address the common challenge of communicable disease control in our region.

31. The Forum noted the work of the bilateral Health Issues Committee (HIC), and tasked it with preparing, for consideration at the 19th Papua New Guinea-Australia Ministerial Forum, a comprehensive package of measures to address cross-border health concerns. The Forum decided that the HIC would meet at senior officials level in Canberra or Port Moresby to take forward development of this package.

32. Papua New Guinea noted that it had recently conveyed to Australia the interest of ten villages from Western Province in being included in the Treaty's free movement provisions and undertook to provide more detail, including on the implications for existing Treaty villages.

33. Papua New Guinea informed the Forum that it would establish a Border Development Office to cooperate on joint border development issues in the Torres Strait area.

34. The Forum welcomed the exchange of letters between Foreign Ministers on 11 February 2008 that indefinitely extended the Moratorium on Mining and Drilling in the Torres Strait Protected Zone.

Immigration issues

35. The Forum agreed to cooperate in the area of immigration, consistent with the renewed spirit of cooperation between the two countries. The Forum noted that Australia and Papua New Guinea were working towards concluding a Work and Holiday Visa Arrangement, which responsible Ministers would sign at an appropriate opportunity. The Forum noted Papua New Guinea's interest in visa requirements in Australia being changed so that Papua New Guineans could be issued transit, tourist and business visas on arrival, and referred this matter to the bilateral immigration working group for further discussion. The Forum noted the active consideration being given by Australia to labour mobility, including New Zealand's experience with its Recognised Seasonal Employer Scheme. Papua New Guinea said it would submit a proposal for Australia's consideration on how a labour mobility scheme could apply in its case.

36. The Forum welcomed the closure of the Manus Offshore Processing Centre (OPC) as of the end of March 2008 and noted that Australia was supporting Papua New Guinea with arrangements for the closure, by allocating the remaining funds in the Manus OPC trust account, amounting to K350,000 (A\$150,000), to the Government of Papua New Guinea. The Forum noted that the Foreign Ministers would discuss Papua New Guinea's request for logistical support with the Australian Minister for Immigration and Citizenship as a matter of priority.

37. Papua New Guinea acknowledged Australian support to the Papua New Guinea Immigration Service through the Enhanced Cooperation Program.

38. The Forum noted Papua New Guinea's request for its National languages to be included in the list of recognised languages for bonus points towards permanent resident applications.

Sports cooperation

39. The Forum noted the ongoing cooperation between the Australian and Papua New Guinea Governments to implement the Papua New Guinea-Australia Sport For Development Initiative that will help strengthen sports administration, boost participation in sporting activities and promote fitness and good health to young men and young women, linked to development messages. The Forum welcomed the new Australian Government sports package focused on rugby league, as well as other sports with wider community involvement. The Forum also noted Papua New Guinea's desire to redevelop the Goroka Sporting Institute into a regional high-altitude sporting institute.

Resources and energy cooperation

40. The Forum noted that Australia and Papua New Guinea are both fortunate to be well-endowed with resources and to have resources and energy sectors that make substantial contributions to their respective economies. The Forum welcomed the

prospect of developing a Framework for Bilateral Cooperation in Resources and Energy to provide greater cooperation in the resources and energy sectors, including, but not limited to, the areas of sustainable development, clean energy policy and resources policies and regulations.

Customs cooperation

41. The Forum noted the valuable contribution made by the bilateral Border Security Project to Papua New Guinea Customs modernisation and border management. The Forum welcomed the recent recommencement of the Joint Cross-Border Patrol Program. The program has raised awareness of law enforcement issues and strengthened intelligence gathering and, together with ongoing cooperation in the Torres Strait, will significantly contribute to the border security of both countries.

Tourism cooperation

42. The Forum welcomed the Framework for Bilateral Cooperation on Tourism that was signed today by Australia and Papua New Guinea. The Framework provides for greater cooperation on tourism development issues, including, but not limited to, the areas of ecotourism, sustainable tourism development and the protection and preservation of natural and cultural resources as sites for tourist attraction.

43. The Forum noted that the Australian Government looked forward to working with the Papua New Guinea Government in developing its national tourism strategy through the exchange of knowledge and expertise.

Australian Tsunami Warning System

44. The Forum welcomed signature of a bilateral memorandum of understanding on the installation of tsunami warning equipment in Papua New Guinea as part of Australia's four-year \$68.9 million Australian Tsunami Warning System (ATWS) project. The ATWS will facilitate tsunami warnings in the South Pacific region and play a key role in reducing risks associated with these natural disasters.

Coral Triangle Initiative

45. The Forum acknowledged that 2008 was the International Year of Coral Reefs and that Papua New Guinea and Australia had agreed to work together to raise awareness about the value and importance of coral reefs and threats to their survival, and to encourage action to protect them.

46. Specifically, the Forum welcomed the *Coral Triangle Initiative on Coral Reefs, Fisheries and Food Security* as an important mechanism to advance the protection and management of coral reefs in the Coral Triangle area. The Forum confirmed the commitment of Papua New Guinea and Australia to advancing the Coral Triangle Initiative as a matter of priority.

47. The Forum welcomed the Papua New Guinea Government's strong desire and ongoing efforts to strengthen bilateral and regional efforts to protect the Coral Triangle. The Forum noted that the Australian Government would be hosting a workshop on coral

reef protection and management to share Australia's considerable expertise in coral reef management and conservation, particularly from an ecosystem approach.

Date and venue of the next Ministerial Forum

48. Australia invited Papua New Guinea to attend next year's Ministerial Forum at a date and venue to be advised. Papua New Guinea thanked Australia and agreed to accept this invitation.

Hon. Samuel Abal MP
Minister for Foreign Affairs, Trade
and Immigration
Papua New Guinea

The Hon Stephen Smith MP
Minister for Foreign Affairs
Australia

Date: