



Australian Government

Department of Foreign Affairs and Trade

IMPLEMENTATION OF JOINT UNDERSTANDING BETWEEN AUSTRALIA AND PAPUA NEW GUINEA ON FURTHER BILATERAL COOPERATION ON HEALTH, EDUCATION AND LAW AND ORDER

Update as at 8 December 2014

- The Joint Understanding (JU) was signed by Prime Minister O'Neill and former Prime Minister Rudd on 19 July 2013.
- Under the JU, Australia committed \$420 million of assistance over 4 years to:
 - (i) fund 50% of the redevelopment of Lae ANGAU Hospital and contribute to the costs of senior management personnel;
 - (ii) deploy an additional 50 Australian Police in Port Moresby and Lae;
 - (iii) rehabilitate essential infrastructure at University of PNG (UPNG) and support twinning and exchange with Australian institutions;
 - (iv) scope and design the Lower Courts complex in Port Moresby;
 - (v) scope and design the Madang – Ramu Highway; and
 - (vi) recruit senior positions in the Royal PNG Constabulary, and National Departments of Health and Education.
- The JU Joint Implementation Framework (JUJIF) was signed by the Australian High Commissioner and Chief Secretary on 10 January 2014.
 - The JUJIF is oversighted by a Consultative Committee (JUCC) which has met three times. The next JUCC meeting is scheduled for early 2015.

Australia to fund 50% of the redevelopment of Lae ANGAU Hospital and contribute to the costs of senior management personnel (estimated Government of Australia budget of up to A\$207 million over four years)

- The development of an Integrated Master Plan for the Lae ANGAU Hospital has commenced and is expected to be completed in May 2015.
 - Hassell was selected through an international competitive tender process to undertake the Master Plan process.
 - The detailed architectural design stage is likely to take 12 months following joint approval of the Master Plan by the Government of PNG (GoPNG) and Government of Australia (GoA).
 - The detailed architectural design work and construction works will both be subject to international tender processes.
- Dr Jim Abrahams was appointed by GoPNG as the Lae Hospital Restoration Administrator in 2013. He was appointed A/g CEO in early 2014.

- By law, it is the responsibility of the Hospital Board to appoint the permanent hospital CEO.
 - A new Hospital Board has been appointed.
 - The position of CEO was advertised internationally and within PNG.
 - The Department of Personnel Management and the Hospital Board are overseeing the recruitment process.
 - Australia will fund the non-salary component of the CEO position once selected through a transparent international recruitment process.
- In 2013 GoPNG endorsed the release of PGK15m for urgent repairs on the hospital and approved an initial PGK5m contract under 'State of Emergency' arrangements.
 - The State of Emergency for ANGAU hospital has since been rescinded.
 - In 2014, a further PGK 21 million had been allocated to the emergency works by GoPNG (PGK4 million of which has already been released). A new 50-bed ward is being constructed from these funds.
 - The Australian High Commission (AHC) is continuing to work with hospital management, NDoH and the ANGAU Board to ensure coordination of urgent and early works at the hospital and master planning processes.
 - The AHC has agreed to fund a works coordinator to assist the hospital to scope, tender and implement urgent repairs. The successful applicant will commence in January 2015.
- In 2014-15, the Australian Government will fund infrastructure upgrades to the Lae School of Nursing located at ANGAU hospital. The tender for the scoping and design works will be advertised in early 2015. The upgrades to the School of Nursing will increase student capacity.
- Terms of reference have been agreed by both governments for an analysis of the financing options for PNG and Australia to jointly fund the reconstruction of the ANGAU hospital. A Request for Tender for this work will be released in January 2015.
- The Steering Committee to oversee the rehabilitation of ANGAU Hospital has met in March, June, August and November 2014. The next meeting is scheduled for 10 December.

Rehabilitation of essential infrastructure at University of PNG (UPNG) and support for twinning and exchange with Australian institutions (estimated budget of up to A\$50 million over four years)

- The work plan for this commitment was endorsed by the Office for Higher Education (OHE) and UPNG Vice-Chancellor in September 2013.
 - UPNG's Quality Assessment, which is guiding Australia's support, was finalised in March 2014.
 - Based on the Quality Assessment's findings, the Australian High Commission, OHE Director General and the Vice Chancellor UPNG have agreed in-principle to the scope of Australian support for infrastructure development, which will include support to:
 - improve the management of student records,
 - improve safety and security on the campus grounds, and
 - improve learning facilities through the rehabilitation of UPNG's existing Main Lecture Theatre and, subject to scoping and design, construction of an additional lecture theatre.
- An implementation schedule, covering scoping, design, procurement and construction of infrastructure works at UPNG was endorsed on 17 September.
 - Infrastructure components will be rolled out in a staged manner to minimise disruption to students.
 - A request for tender for surveys to inform the UPNG campus master plan will be released in December 2014, with work to commence in February 2015 and conclude in June 2015.
 - Scoping for a new student records building will commence in December 2014 and conclude in February 2015. A concept design for this component is anticipated by June 2015.
 - Security lighting and ICT upgrades to the Main Lecture Theatre are underway and are expected to be completed by the start of the 2015 academic year.
 - Further small-scale infrastructure and maintenance support has been identified and costed. Work will commence in January 2015.
- Infrastructure works at UPNG are being procured through Australia's *PNG Health and Education Procurement Facility* (HEPF), which is managed by a consortium of HK Logistics, Abt JTA and Reeves International.
- Planning is underway for twinning and exchange programs with Australian tertiary institutions. The selection of partners will be based on areas of priority identified in the Quality Assessment. An initial twinning arrangement is expected to be in place for the commencement of the 2015 academic year.

Additional 50 Australian Police in Port Moresby and Lae (estimated cost of A\$131.8 million over four years)

- All 50 Australian Federal Police (AFP) were deployed before the end of 2013 in Port Moresby and Lae under a Memorandum of Understanding for deployment signed by the AFP and Royal PNG Constabulary Commissioners.

Scoping and Design of the Lower Court Complex in Port Moresby

- The Terms of Reference, Request for Tender documents and procurement plan for the Waigani Lower Courts Complex master plan were finalised in December 2013.
 - GoPNG has responsibility for securing the title for the land identified for the Lower Courts Complex. Efforts are underway to secure the Certificate Authorising Occupancy (CAO) for the National Judiciary – Magisterial Services.
 - Once the CAO is obtained, the tender for the scoping and design of the courts, including preliminary architectural designs, will proceed. The scoping is expected to take six months with detailed design to follow.
- The scoping and design of the Lower Court Complex (Magisterial Services) once the CAO has been secured will be managed by the Joint Understanding Technical Enabling Unit, managed by Cardno Emerging Markets.
 - Continuing support to Magisterial Services will be provided through the *PNG-Australia Law and Justice Partnership Transition Program* (PALJP-TP) (also managed by Cardno Emerging Markets).

Scoping and Design Study of the Madang – Ramu Highway

- The scoping and design study of the Ramu Highway is being managed by the Australian-funded *PNG-Australia Transport Sector Support Program* (TSSP).
 - Department of Works (DoW) approved the approach for the scoping and design study tender on 20 March 2014.
 - Following an international competitive tender process, the contract for the scoping and design study was awarded to Ramu Gateway Joint Venture in November 2014 and work has commenced.
- The Scoping Study (incorporating engineering options and cost estimates, environmental assessment, an environmental management plan and if necessary, a resettlement plan and road safety audit) for the three discrete sections of the Highway is expected to be finalised by end April 2015.
- Once GoPNG and GoA endorse the study findings, a detailed technical Design Study for the roads and bridges of the Highway will be undertaken.

- The Design Study for the flat, inland and coastal sections is expected to be completed and reviewed by October 2015, with tender documentation prepared and cleared by DoW by March 2016
- The Design Study for the Ramu Ranges (or selected bypass option) will be completed by April 2016, with tender documentation completed and cleared by DoW by July 2016.

Recruitment of senior positions in PNG Police, National Departments of Health and Education and Correctional Services

- GoPNG has not yet identified the positions for which it wishes to utilise Australian assistance. AHC will seek confirmation of GoPNG's position on this component in the Joint Understanding Consultative Committee.