Papua New Guinea and Australia

Near Neighbours Global Partners



The partnership between Papua New Guinea and Australia is as close as between any two nations

For millennia, our people have been linked, dating back to a time when our two lands were joined. The Torres Strait connects our countries and our people. We share a border, close personal and professional ties, a love of sport and community, an entrepreneurial spirit and the desire to see our cultures preserved and celebrated.

Australia will remain a steadfast partner to Papua New Guinea and we have an exciting shared future ahead of us

Front cover: Papua New Guinean and Australian students celebrating Independence Day in Port Moresby

As true partners and good friends, we listen to each other to find solutions to the challenges we face. We lend a hand to each other in times of need. We have worked together in defence of our countries. We work together locally, regionally and globally to make our two countries prosperous and safer for today and for future generations.

Papua New Guinea and Australia

Partners of Choice

Enduring Partners

As reflected in Australia's 2017 Foreign Policy White Paper, the Papua New Guinea–Australia partnership is dynamic, multifaceted and comprehensive. Australia no longer looks through a donor-recipient lens. That is an old fashioned view. We acknowledge the growing international role that Papua New Guinea plays.

Our partnership goes beyond mere words – we are physically connected through our shared border and joined through our rich cultures and history. The deepest commitment and longest lasting bond is through our people. It is exemplified by the volunteers, missionaries, business people, artists, sports players, teachers and veterans who have made connections with the people, culture and land.

Also at the core of our partnership is economic cooperation, with thousands of Australian businesses dedicated to working in Papua New Guinea for the long term. There is a small but growing market in Australia for Papua New Guinea products like highlands coffee and Bougainville chocolate.

Near Neighbours, Global Partners: Papua New Guinea and Australia are separated by just four kilometres. The Torres Strait Treaty, which marks our border, is unique. It allows for the movement of traditional inhabitants across the border for cultural activities, helping to maintain the close connections of the people across the Torres Strait.

Australia sees our modern relationship with Papua New Guinea as a mature, strategic and economic partnership

The global economic and political weight is shifting to our region. Never before has our neighbourhood been so much in the global spotlight. The rapid pace of globalisation brings us closer and delivers opportunities. It also means we face a greater number of complex challenges.

Today, more than ever before in our long history, we cannot work in isolation. Our enduring partnership means we also collaborate through regional and global forums such as the Pacific Islands Forum, Asia Pacific Economic Cooperation (APEC), Multilateral Development Banks and the United Nations to tackle issues and find solutions that make us safer, protect our environments and boost our prosperity. Our shared efforts to pursue open and free global trade is a case in point.

A Modern Economic Partnership

Building Prosperity

Infrastructure is vital for growth. Whether it's roads, bridges or telecommunications - we can connect people, markets and opportunities. Australia worked with the Government of Papua New Guinea to build four bridges across Oro Province following Cyclone Guba in 2007. This included the longest two-lane bridge at Kumusi (both pictures), which spans more than 285 metres, built with climate proofing to ensure it stands the test of time and survives against cyclones and other events. An additional two bridges, also damaged by Cyclone Guba (Martyrs and Auga), were reinstated through the project.

Building Critical Infrastructure

Infrastructure is the backbone of economic growth

A good road network, reliable power and safe water supply is essential for businesses to operate effectively, for farmers to get their goods to market, for workers to get to their jobs, for students to get to school and for communities to access health care.

Beyond these critical pieces of infrastructure, our partnership is building new infrastructure that will support Papua New Guinea's growth and development. Together we are transforming telecommunication networks and supporting improved access to the internet, integral for a modern economy. This will have a transformative impact on everyone's lives, enabling increased productivity for business while contributing to improved service delivery in sectors such as health and education. We are also partnering on cybersecurity to ensure these investments translate into a stable platform for the growth of the digital economy.

Accessing the digital age: A joint investment in the Coral Sea Cable System, an undersea telecommunications cable from Sydney to Port Moresby, will benefit millions of Papua New Guineans when it's completed in 2019. It will vastly improve internet connectivity, reduce costs, open up new markets and opportunities for business, and foreign investment.

improve around 2,000 kilometres of the national roads.

More than 500 flights from Australia transit through Papua New Guinea's airspace or land there each month.

In 2017 Australia worked with PNG to

90 per cent of ships carrying commodities exported from Australia's eastern seaboard pass through Papua New Guinea's waters to Asian markets.

We continue to partner to improve aviation and maritime safety. For example, Australia is supporting PNG Air Services Limited to develop satellite-based navigational approaches at up to 45 major and rural airstrips across the country which will improve the accuracy of flight navigation into airports.



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90 %

of ships



Partnering with the Private Sector: Key to Growth and Prosperity



Australia, through the Australian Centre for International Agricultural Research and the Autonomous Bougainville Government, is working with local farmers and small businesses to make better use of their farms and crops, and increase community incomes.



For more than 10 years, Grace Klembasa worked on cocoa farms in Aitape, West Sepik. In May 2017, she entered a sample of dried cocoa beans in Papua New Guinea's first Cocoa of Excellence Show, hosted by the Papua New Guinea Cocoa Board and the Australian-funded PHAMA Program. The Show helped to link cocoa producers to buyers of premium cocoa and craft chocolate makers. Grace's sample won gold out of 18 finalists and almost 100 cocoa samples. Now, bars of single origin 70 per cent dark chocolate made from cocoa beans supplied by Grace are being sold as far away as Hawaii.

Economic Partners

Two-way trade between Australia and Papua New Guinea was approximately A\$6 billion (PGK14.3 billion) in 2017.



(PGK14.3 billion)

Two-thirds of these goods and services were exported from Papua New Guinea to Australia. 2/3 goods and services exported



5000 Australian Businesses

Largely, this investment is in the financial services and resources sectors with companies like Newcrest Mining employing around 5 000

like Newcrest Mining employing around 5,000 Papua New Guineans at their gold mine in Lihir, New Ireland.

Making it Easier to do Business

Australia and Papua New Guinea have worked on a range of new initiatives to reduce the cost of doing business. Our work has made a tangible difference – Papua New Guinea's position in the World Bank's 'ease of doing business' ranking rose by 26 places in 2017. This continues through our support for a new National Competition Policy and the Financial Services Sector Strategy.

Realising Potential: Agriculture and Tourism

Papua New Guinea's fertile and diverse environment offers much agricultural and tourism potential. We are helping to open up agri-business to small and medium sized enterprises including through major investment in the Markham Valley, Morobe province. Farmers are being trained to move from subsistence farming to establishing businesses and we are supporting these businesses to increase productivity and create employment. We are also investing to boost tourism such as by helping to sustainably develop and protect the Kokoda Track and working with cruise operators to bring tourists to remote parts of the country.

Financial Services for All

With the majority of Papua New Guinea's population living in rural areas, access to financial services is vital. We are working together to strengthen microfinance and introduce products that help people manage their finances. Our work on blockchain is finding new ways to bring financial services to rural and remote populations who do not have access to banks and is supporting innovative local startups.

Keeping it in the family – a winwin approach: Taking a "Family Team" approach to farming encourages men and women to work together in an effective and equitable way. The University of Canberra has worked with the Papua New Guinea National Agricultural Research Institute and other organisations to help families plan their farms as small businesses, with women and men both making decisions about the business and the impact on their families. Participating women have improved their budgeting skills, improved crop productivity, and increased household income.

Cruising towards growth: Cruise tourism into Papua New Guinea brought A\$6 million (PGK14.4 million) into the economy in 2015, and the sector is growing quickly. We are working together to increase sales of handicrafts and high-quality agricultural products to cruise tourists, and our partnership with The Difference Incubator is developing businesses in rural ports to help communities benefit from tourism.

Security and Stability

Trusted Partners

Papua New Guinea's shared history, close proximity and regional leadership roles make the two countries natural security partners.

Regional Stability

Papua New Guinea and Australia jointly tackle security challenges. Our borders are vulnerable to irregular people movements, the transfer of illegal goods, the spread of diseases, biosecurity threats and illegal fishing. Left unchecked, these present serious economic, security and social risks to our people.

Our cooperation on security and strategic issues by our diplomats, militaries, police, customs and immigration officials is growing. We conduct joint operations to tackle transnational crime.

Our two defence forces have a long tradition of working together to protect our countries. Papua New Guinea is our largest Defence Cooperation Program partner. The program involves capacity building activities, training and exchange programs. Institutional partnerships have been built up over a long period and reflect the trust, shared regional perspectives and common interests of both nations. As part of this, Australia's provision of four new Patrol Boats, to be delivered between 2018 and 2022, will enhance Papua New Guinea's protection of its maritime sovereignty and contribution to Pacific regional security and stability.

The hosting of APEC in 2018 will leave a lasting legacy for Papua New *Guinea including a boosted security capability*

9 | Papua New Guinea Australia Partnership

Our law and justice partnership spans more than 25 years and is built on strong institutional partnerships. Papua New Guinean and Australian law and justice agencies share knowledge and skills, and build capacity through secondments, training and other exchanges. This is strengthening the legal sector, boosting access to services, tackling family and sexual violence, and supporting anticorruption efforts. We are also reviewing our Policing partnership to make it more strategic and effective.

and Justice

Papua New Guinea on the global stage: Hosting of the Asia Pacific Economic Cooperation (APEC) meetings in 2018 has brought the world to Papua New Guinea. Australia has provided training and mentoring to the Royal Papua New Guinea police, the Papua New Guinea Defence Force and the public service as a whole, to not only support the APEC meetings, but also to build long-term skills and expertise.

Strengthening Law

IN 2017

Australia worked in partnership with Papua New Guinea to

train almost 3000

legal and support officers to provide more effective

legal services

complete construction

of the

Manus Police headquarters



provide better access to justice services through the village courts for

> 43,000 **Papua New Guineans**

and since 2012 established

Family and Sexual Violence Units

in Papua New Guinea, resulting in

54,920

Papua New Guineans reporting cases of violence

In Times of Emergency

Standing Shoulder to Shoulder

Papua New Guinea and Australia have always stood shoulder to shoulder in times of need. The February 2018 highlands earthquake was no different, with Australia committing A\$5 million (PGK12 million) to support Papua New Guinea's response. This helped with immediate needs including water, sanitation, shelter, power and the protection of vulnerable women and children. The Australian Defence Force and Papua New Guinea Defence Force commenced earthquake relief operations within 48 hours of the event.

Over 460 tonnes of humanitarian relief stores were delivered to the earthquake affected areas by defence helicopter and fixed wing aircraft.

Australia's support also helped to deploy medical staff across Hela and Southern Highlands provinces. We will commit up to \$A50 million (PGK122 million) to help rebuild schools, hospitals, aid posts and roads as part of the earthquake reconstruction effort.

Planning for disasters and climate change: Papua New Guinea is highly vulnerable to natural disasters including cyclones, droughts, floods and landslides. Australia has a lot of first-hand experience and is supporting Papua New Guinea to build resilience and reduce the associated risks. The Pacific is also particularly vulnerable to the effects of climate change and the resulting disruption to food and farming. Through the 2018 Climate Change Action Plan, Australia will work with Papua New Guinea to ensure governments, communities and infrastructure are better ready to face this challenge.





Empowering Women

For Equality and Growth

Empowering women to participate economically and socially doesn't just benefit individuals but can make a difference to the whole community.

Business Coalition for Women (BCfW): in the workforce. Around 80 per cent of participants advanced in their careers after being supported by BCfW to complete the Certificate IV Leadership



A Best-Practice Approach to Family and Sexual Violence

Family and sexual violence is a complex issue that requires a multifaceted response to support survivors and to change the culture that permits acts of violence. Papua New Guinea and Australia are working with local organisations, like Femili PNG, to help survivors access essential services such as safe transport, food and toiletries, police assistance, medical care, legal support, social workers and safe houses.

Sport can also help to deliver healthy messages about gender equality. Equal Playing Field, a local non-governmen organisation started jointly by a Papua New Guinean and an Australian, works with Papua New Guinea government departments to educate school children on respectful and safe relationships including around family violence.

It's about empowering everyone – especially women – to be fully part of the economy



Meri Seif buses are a popular way for the women of Port Moresby to move safely around the city. Local support has been integral to the success of the project, which includes buses donated by a Melbourne-based bus company, training for women bus drivers, and improved safety guidelines for public transport in Port Moresby. The project is supported by the Australian Government and UN Women.



Innovative collaborations: PNG's fledging women's boxing scene will be boosted through a collaboration between PNG boxer, Debbie Koare, and Australian female boxing champions Mischa Mertz and Bianca Elmir, which aims to encourage more women into boxing and support strong messages about women's role in society. Australia is also supporting a collaboration between Indigenous Australian musician, Emily Wurramara, and Papua New Guinean musician, Mereani Masani, which will reflect the unique connection between our cultures (pictured).

Education is the most powerful tool for a country's development

A well-educated population produces a prosperous and strong country. Australia supports Papua New Guinea's priority on education. We are improving literacy and numeracy, building vocational skills to get more people into work, and developing leadership skills through secondary and tertiary education. We are also placing an emphasis on opportunities for girls and women.

Focusing on Schools

Through our partnership:

More than 118,500 children across ten provinces have improved their reading, writing and numeracy skills.

More than 2,300 teachers strengthened their teaching skills.



534 classrooms constructed since 2012. giving around 21,123 students better access to education.



PNG and Australian schools are connecting.



Secondary schools hold particular importance in Papua New Guinea and Australia wants to back this priority. An increased focus on

secondary schools will capitalise on those crucial years of development and expose students to new ideas and ways of thinking. This will help to draw out potential future leaders from the provinces and from disadvantaged communities, where there isn't a clear pathway to education beyond high school. We want to build stronger links between Australia and Papua New Guinea schools too.

Australia-Pacific BRIDGE Schools Partnership: generation.

Investing in People

Education and Health

Australia works closely with communities around Papua New Guinea to support education and health care. Pictured is the launch of two new classrooms in Manari and Boridi, along the Kokoda Track, which will provide over 100 students with better access to schooling.

Upskilling the Nation



There is high demand for a qualified and skilled workforce in Papua New Guinea. The Australia Pacific Training Coalition (APTC) provides internationally-recognised trade gualifications, and our Australia Awards scholarships are a major investment in Papua New Guinea's future.



Over 1,500 Papua New Guinean tradespeople have graduated from APTC since 2007.



534 Classrooms Since 2012







Our connections don't stop when scholars graduate. We partner with the PNG Australia Alumni Association to provide professional development and networking events through eight provincial Alumni chapters across the country. We also offer small grants to support our alumni's passion to unblock challenges in their workplaces and communities. Australia Awards alumni are making a real difference to Papua New Guinea's development, with a large number of graduates now working in senior positions in the public and private sector, such as Professor Cecilia Nembou, President of Divine Word University, and Barbara Age, Secretary of the Department of Foreign Affairs.

A pilot program is developing PNG's teachers and helping to link students in Papua New Guinea and Australia. Primary and secondary level students will be able to connect with each other through interactive online exchanges and more traditional 'pen-pal' exchanges. We want to ensure our close friendship is fostered in the next generation as much as in the current



The New Colombo Plan is helping a new wave of Australian leaders to learn more about the region through study and work placements in the Indo-Pacific. Gina Zheng was the first Australian scholar to study in Papua New Guinea as part of the program, fully immersing herself in the culture through her placement at Divine Word University and internship with the Worldwide Fund for Nature, Madang.

The Next Generation: **Investing in Future Leadership**

The Pacific Leadership and Governance Precinct is fostering a new generation of public service leaders with the capability, motivation and ethics to lead the Papua New Guinea public service. The Precinct aims to share experiences between Papua New Guineans and Australians on how to improve governance and service delivery at national, provincial and district levels, encouraging values-based decision making.

The bonds between our people and institutions are strong and enduring, and will continue to stand the test of

The Precinct is a demonstration of what can be achieved when Papua New Guinean and Australian institutions get together, with partners including the University of Papua New Guinea, the Pacific Institute of Leadership and Governance, Australian Public Service Commission, the Australian National University, the University of Queensland, the Canberra Institute of Technology, and the Queensland University of Technology.

Almost 4500 Papua New Guineans have benefitted from the Precinct through long and short courses and public policy discussions.

> Modern learning facilities: Australia is funding five new buildings as part of the Precinct, providing staff and students with modern spaces for tuition, learning and research. These are an Administration Building, Lecture Theatre, Library, Student Services Building and School of Business and Public Policy.



Australia Awards offer a range of short and long terms scholarships for Papua New Guineans to attend and study in both of our countries, and supports the next generation of leaders. People like Robertson Asari, a 2018 Allison Sudradjat scholarship winner, who plans to help the Government of Papua New Guinea with its priority to better prepare for cyber security risks.

4,500

Creative scholarship opportunities:

We will partner with businesses on scholarships to increase the number of qualified nurses and midwives to work across the country. In 2018, we will manage 42 private sector scholarships funded by Steamships Trading Company Ltd, Newcrest Mining and ExxonMobil. Launched in 2018, the Australia Awards Women in Maritime scholarships aim to move women into leadership positions and help the maritime sector realise the new perspectives, improved productivity, and enhanced workforce culture that including women in the workforce brings. A partnership with Pacific Towing PNG, Steamships and China Navigation Company will provide work experience to give more women the skills they need to join the male dominated maritime sector.

Healthy Communities: Healthy Future

Hypothermia detection bracelets (locally dubbed Bebi Kol Kilok) are an innovative product helping underweight newborns. Developed by UNICEF, the bracelets alert parents to their newborn's temperature. In combination with training on skin-to-skin 'Kangaroo Mother Care', the devices have been shown to increase weight gain for underweight newborn babies. Here, the Hon Petrus Thomas, Minister for Immigration and Border Security attaches a Bebi Kol Kilok to a newborn at Kiunga Hospital in Western Province.

Through our health partnership...

2,120 students in midwifery, nursing and community health have been trained over the last five years.

Angau Memorial Hospital in Lae is being redeveloped - Australia's largest infrastructure project in Papua New Guinea. The hospital will provide quality health services to 1.9 million people in the Momase region.

Arawa Hospital reopened in July 2018 after being fully redeveloped and equipped, and is now providing quality health services to the population of central Bougainville.



32 new Community Health Postsare being constructed across Papua New Guinea to improve access by remote communities to vital health services.

The new patient referral system will effectively stream patients into the closest health facility to meet their clinical needs.

Improved training for doctors and other health professionals continues including through collaboration between Australian and Papua New Guinean health specialists and institutions.

HIV treatment has increased with 85 per cent of people needing antiretroviral drugs now receiving the medication.

















A partnership between Australia, the Asian Development Bank, the Government of Papua New Guinea and others is building 32 community health posts in rural areas across Papua New Guinea. These posts deliver essential health services in communities, particularly in child and maternal health. They include birthing rooms, treatment rooms, medical equipment and furniture, electricity generator and waste disposal incinerator, and on-site housing for health care staff. Photo: Monokam Community Health Post in Enga Province.



Genuine connections: At any one time, more than 10,000 Australians are living, working, doing business or holidaying in Papua New Guinea. Many develop long-term, genuine connections to Papua New Guinea. People like Dr Barry Kirby, who travels by boat and seaplane across remote communities in Milne Bay to combat some of the highest maternal mortality statistics in the Pacific region. And Dr David Mills (pictured opposite page), who has been working at Kompiam Rural Hospital in Enga since 2000, living with his family as a part of the local community, building local capacity. Kompiam Hospital has become a popular placement for Australian medical students like Olivia (left) and Chris (right), final year medical students from Adelaide University, as well as PNG medical students. Dr Rebecca Williams (middle) is a senior clinician at the hospital, working under Dr Mill's mentorship. The hospital is a fantastic demonstration of Papua New Guinea-Australia partnership and local capacity development. As well as environmental sustainability through solar energy.

Partnering for Better Health Security

Good health and prosperity go hand-in-hand. As nearest neighbours, there is a mutual interest in combatting threatening diseases such as tuberculosis, malaria and HIV/AIDS.

In Papua New Guinea, along our shared border, drugresistant tuberculosis is the worst in the world. Recent efforts by Papua New Guinea and Australia have made a difference. Better clinical management has meant that more people in Daru and neighbouring villages in South Fly are staying on their tuberculosis treatment from around 65 per cent in 2014 to 99 per cent in 2017. This is stopping drug-resistant strains from spreading.

Papua New Guinean and Australian institutions are partnering to eliminate diseases

A new Health Security Initiative for the Indo-Pacific will help countries in the region respond to the threat of infectious diseases – including malaria – by strengthening prevention, detection and response capacity. The initiative will build on existing institutional partnerships and work done between Australia and Papua New Guinea universities, medical and research institutions.





Institutional partnerships tackling diseases: In a new collaboration, Papua New Guinea's Institute of Medical Research is working with the Burnet Institute, Walter and Eliza Hall Institute, James Cook University, Australia Malaria Institute, PNG Central Public Health Laboratory and National Department of Health to strengthen immediate responses to malaria and improve patient tracking and treatment.

A trilateral partnership between Papua New Guinea, China and Australia is making positive progress to improve the quality of malaria diagnosis and treatment in Papua New Guinea. It is forging strong technical linkages and collaborations between the three countries' medical and research institutions and universities on malaria. Each partner is bringing a mix of funding, technical expertise and management skills and knowledge.

The Snakebite Partnership: A partnership between the Papua New Guinea National Department of Health, the Australian Government, Australian company Segirus and the Charles Campbell Toxinology Centre at UPNG is demonstrating the benefit of public, private and cross-institutional linkages. The innovative partnership combines a large antivenom donation by Sequirus, health care worker training and distribution management to save lives lost to snakebite.

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New Life Skills **Training Program**

Australian Aid A

Working Local

Empowering Communities

The first intake of students at City Mission's New Life Skills Training Centre in Madang, which teaches Papua New Guinean youth basic literacy and numeracy skills as well as providing counselling and mentoring, to help them find employment and break the cycle of street violence and crime.

Backing Local Initiative

Around 80 per cent of Papua New Guineans live in rural and remote areas. Backing initiatives at the local level – where people live – will make great strides to strengthening local economic growth and stability, with impacts that go far beyond the local communities. Australia wants to incentivise local initiative by providing complementary investments that support local priorities. In other words, if the community has a vision and a good track record, and is willing to invest its own resources to achieve it, then Australia wants to back them.

A new partnership with the Government of Papua New Guinea and the World Bank will improve communities' access to basic infrastructure and services in targeted rural areas. The project is expected to reach 400,000 people through 400 ward development grants over five years to 2022.

Decision making by local women:

Australian

Aid ____

Remote and rural women's groups in Bougainville are being supported to determine how infrastructure grants allocated to their communities will be used, from water supply systems to classrooms and markets. Not only does this empower women to better have a say in their own communities, but this and other projects in Bougainville have provided a pathway to political leadership, with 69 of the women involved in Pacific Women projects winning seats in the 2017 community-level elections.

Empowering Provinces and Districts

Australia is supporting Papua New Guinea to improve decentralised government and empower provinces and districts to grow their economies by delivering higher quality services to more of their citizens. We partner with provincial and district administrations to support sustainable local solutions. We are also collaborating with the private sector and non-government organisations to build community resilience and improve access to services. We continue to provide financial literacy and business skills training to support small holders to generate income from agriculture.

Working with Churches

Churches have far reaching networks and dedicated people. They are an effective partner at the local level, particularly in remote areas. The Papua New Guinea-Australia Church Partnership Program is delivering crucial health and education services, especially in rural remote areas, as well as delivering activities in support of gender equality and social inclusion, peace and prosperity, and disaster risk reduction. In 2016-17 alone, almost 30,000 women, youth and men made use of improved services provided by civil society, church, private sector and government partners.



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Papua New Guinea and Australia are using the shared love of sport to improve health, build relationships and enhance institutional and people linkages.

PNGAus Partnership