



**PNGAus Partnership**

# PNG-AUSTRALIA WESTERN PROVINCE STRATEGY 2022 to 2030

Australia and Papua New Guinea working in partnership to enable an inclusive, healthy, educated, secure, and economically prosperous Western Province

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# EXECUTIVE SUMMARY

The purpose of the PNG-Australia Western Province Strategy ('the strategy') is to align Australia's existing whole-of-government operations, which are being augmented by a limited suite of new activities through a new Western Province Partnership.

Australia shares strong ties with the Western Province of Papua New Guinea (PNG) through geographical proximity, people-to-people links, history, and deep cultural bonds. Australia's Foreign Policy White Paper identifies supporting a stable and prosperous PNG as one of Australia's most important foreign policy objectives. The Comprehensive Strategic and Economic Partnership (CSEP) agreed by PNG and Australia refers to a commitment to 'strengthen cooperation on PNG's priority regions and economic corridors to drive growth, enhance stability and improve service delivery.

The present strategy outlines our mutual priorities in regard to coordinating with the Western Provincial Administration on providing support for improvements to human and economic development, and enabling infrastructure, trade, and security. It sets out how Australia's engagement will involve a 'place-based approach' (rather than a sectoral approach), to unify Australia's development assistance.

Recognising the unique border relationship enshrined in the Torres Strait Treaty, the South Fly District will be a core focus of the partnership. The Australian High Commission and Western Province Government will co-convene annual forums to review progress and amend the strategic direction as required.

The strategy sets out **three pillars of action**: human development, economic development, and security and stability. Effective governance, gender equality, and climate change will be mainstreamed across the three pillars.

## PILLAR 1 – HUMAN DEVELOPMENT

The first pillar of action, human development, aims to strengthen and consolidate development assistance to Western Province in order to improve health security, education, water, sanitation and hygiene (WASH), and food security. Key actions include the following:

Immediate:

- Continue to prioritise working in partnership with the Western Provincial Health Authority (WPHA) to respond to the COVID-19 pandemic and on vaccination roll-out.
- Continue to support South Fly and the Treaty Villages' capacity to meet local health needs, including supporting the Mabudawan Health Centre.

Short-term:

- Support the WPHA to strengthen health service provision. This includes supporting a Daru hospital master plan, continuing support to the long-standing tuberculosis (TB) control program, supporting routine immunisation, and supporting WPHA's health service planning.

- Support the South Fly District Development Authority to improve water and food security.
- Increase the number of Australia Awards awardees from Western Province in the health and education sectors by providing targeted support to their application preparation.
- Continue to support over 240 schools, predominantly across the North Fly, in relation to COVID-19 and hygiene awareness, student and teacher incentives, and ongoing disaster risk management implemented by the United Nations Children's Fund (UNICEF).
- Increase community access to technical and vocational education and training (TVET) that is responsive to industry needs through the Improved TVET for Employment project.

Medium-term:

- Support investments, including physical WASH infrastructure, such as deep borewells and rainwater tanks, to improve South Fly communities' access to clean and reliable water and to improve hygiene and sanitation practices, informed by the South Fly District WASH Plan.
- Support the National Department of Education to strengthen core education systems through the Partnerships for Improving Education and the World Bank Education Programmatic Advisory Services and Analytics Support program to improve learning outcomes in early grades.
- Leverage education programs funded by other development partners and expand the Church Partnership program engagement in South Fly.
- Support the Government of PNG and the World Bank to develop and implement a Child Nutrition and Social Protection program, with a pilot in Western Province.

Long-term:

- Support the WPHA to broker partnerships with other health sector service providers in the region to augment its service delivery capacity.

## **PILLAR 2 – ECONOMIC DEVELOPMENT AND ENABLING INFRASTRUCTURE**

The second pillar of action, economic development and enabling infrastructure, seeks to improve inclusive economic growth by strengthening infrastructure and improving agriculture, fisheries, and livelihood needs. Key actions include the following:

Short-term:

- Australia will work in partnership with the Provincial Administration to explore opportunities to improve the price of fuel in line with Independent Consumer and Competition Commission (ICCC) regulations.
- Work with the PNG Government, South Fly District Development Authority, Provincial Administration, Ok Tedi Development Foundation (OTDF), and industry partners to

develop a District Agricultural Development and Food Security Plan and a Fisheries Development Plan, including consulting with Australian stakeholders, such as the Australian Fisheries Management Authority.

- Develop sub-district fisheries and agriculture hubs to provide more localised access to inputs and training, and to serve as aggregation points to improve market access in South Fly.
- Invest in power, maritime, health, and communication infrastructure, particularly in Daru, as well as off-grid electrification in South Fly's rural communities.

Medium-term:

- Undertake a feasibility assessment to determine the viability of establishing a South Fly Fisheries Processing Hub and Quarantine Export Facility that can obtain Australian Department of Agriculture Water and Environment (DAWE) accreditation for biosecurity.
- Develop and identify opportunities for Western citizens to participate in the Pacific Australia Labour Mobility program and to travel via usual immigration routes to benefit from employment opportunities in Australia.

Long-term:

- Support infrastructure prioritisation and consider areas of potential future collaboration.

### **PILLAR 3 – SECURITY AND STABILITY**

The third pillar of action, security and stability, aims to promote mutual priorities in defence, border management, trade, and policing, and to strengthen law and justice in order to promote a stable and prosperous Western Province. Key actions include the following:

Immediate:

- The Australian Border Force and the Australian Federal Police (AFP) will continue to work in partnership with the Government of PNG to support border controls along South Fly and the outer islands of the Torres Strait.

Short-term:

- Australia's Defence Cooperation Program will continue to support PNG Defence Force (PNGDF) border operations and to resupply personnel in remote locations.
- Enhance Australia's existing support to Village Courts and Land Mediators.
- AFP will continue to work with the Provincial Police Headquarters in Daru to improve public safety by supporting criminal investigations, and countering family and sexual violence (FSV) and transnational serious and organised crime.
- The Australian Defence Force (ADF), in partnership with the Government of PNG, will investigate the viability of a maritime border post at the PNG–Indonesia border.

Medium-term:

- Explore cross-agency collaboration activities to support the Royal Papua New Guinea Constabulary (RPNGC) to strengthen its efforts to reduce conflict and community violence, and to improve community access to justice.

Long-term:

- Explore opportunities to support the PNG Government to improve its implementation and execution of bilateral agreements with Indonesia in relation to the shared border, including new opportunities to cooperate on improving disease surveillance across the border.
- Australian agencies will work with the Provincial Administration to build on existing agency agreements to further support the development of inter-agency collaboration between Australia and PNG in areas such as border management, including trade, fisheries enforcement, and biosecurity.

**Effective governance, gender equality, and climate change will be mainstreamed across the three pillars to improve outcomes.** Key actions to support mainstreaming activities include the following:

Short-term:

- Support the Provincial Administration to undertake an organisational capacity assessment with the aim of improving governance and resource capabilities.
- Continue to support the Community Ranger Program in South Fly to improve and empower Ward governance structures.
- Develop a program of activities to empower women leaders and to build networks among women's organisations.
- Support the provincial and district administrations, through the Australia Pacific Climate Partnership, to develop climate change strategies.

Medium- to long-term:

- Support the Provincial Administration in public finance management, including undertaking a social and economic assessment factoring in the possible cessation of mining and ore processing activity at Ok Tedi in 2030.

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# INTRODUCTION

**This PNG-Australia Western Province Strategy outlines a whole-of-government approach in Western Province and identifies key areas of mutual interest and priorities to support improvements to human and economic development, enabling infrastructure, trade, and security. The strategy will initially focus on the geographically proximate South Fly District of Western Province.**

## STRATEGIC RATIONALE

Australia's 2017 Foreign Policy White Paper identifies that supporting a stable and prosperous PNG is one of Australia's most important foreign policy objectives.

The PNG–Australia CSEP commits both countries to 'strengthen cooperation on PNG's priority regions and economic corridors to drive growth, enhance stability and improve service delivery.'

The Australian Government's Partnerships for Recovery: Development Strategy for COVID-19 brings a whole-of-government approach to health security, stability, and economic recovery, which the present strategy applies to Western Province.

The Government of PNG's Medium-Term Development Plan III 2018–2022 seeks to achieve inclusive sustainable economic growth through investments across key sectoral areas: health, education, law and order, as well as a renewed focus on agriculture. The key objective is 'to improve service delivery in rural districts and support provinces and districts generate sustainable internal revenue'.

At the 2018 Western Province Development Forum, Western Province's leaders committed to the New Way Forward Development Plan 2018–2022 (the Provincial Development Plan) which guides their vision of a 'healthy, educated and wealthy Western Province' with agreed development priorities for health, education, agriculture, and enabling infrastructure, as well as identifying ways to achieve these priorities.

## BACKGROUND

Western Province borders Australia's Torres Strait Islands and Indonesia. At the narrowest point, Australia and Western Province are only four kilometres apart (Figure 1). The shared border with Australia is governed by the Torres Strait Treaty, which was signed in 1978 and entered into force in 1985. The treaty set out the border and maritime jurisdictions between Australia and PNG and established the Torres Strait Protected Zone. The treaty allows for the 'free movement' of Traditional Inhabitants from select Australian Torres Strait Island communities and PNG coastal communities (known as Traditional Villages) to support and protect their traditional ways of life, cultural connections, and practices.

Western Province is PNG's largest province and has the country's lowest population density, with vast swathes of unpopulated and isolated areas. The landscape is dominated by jungle intersected by rivers, lagoons, and low-lying estuarine coastal areas, particularly in the south



and south-east. Patterns of settlement take the form of an inland archipelagic clustering linked by waterways, with the rural population dispersed throughout four districts – North Fly, Middle Fly, Delta Fly, and South Fly.

Consistent with other parts of PNG, Western Province is experiencing high population growth. With an annual growth of around 3%, by 2050 Western's population is projected to increase from an estimated 250,000–300,000 residents to 600,000. About 30% of the population live in North Fly and South Fly, respectively, while the remaining 40% live in Middle Fly.

Although Western Province has many Traditional Villages and remote communities, it is also characterised by high rates of urbanisation compared to the rest of PNG, with Daru accounting for more than a quarter of the population of South Fly District. This relatively high level of urbanisation in Western Province is a feature of the high cost of transportation, with virtually all services, markets, and banking concentrated in Daru (South Fly), Balimo (Middle Fly), and Kiunga and Tabubil (North Fly).

## **Context and challenges**

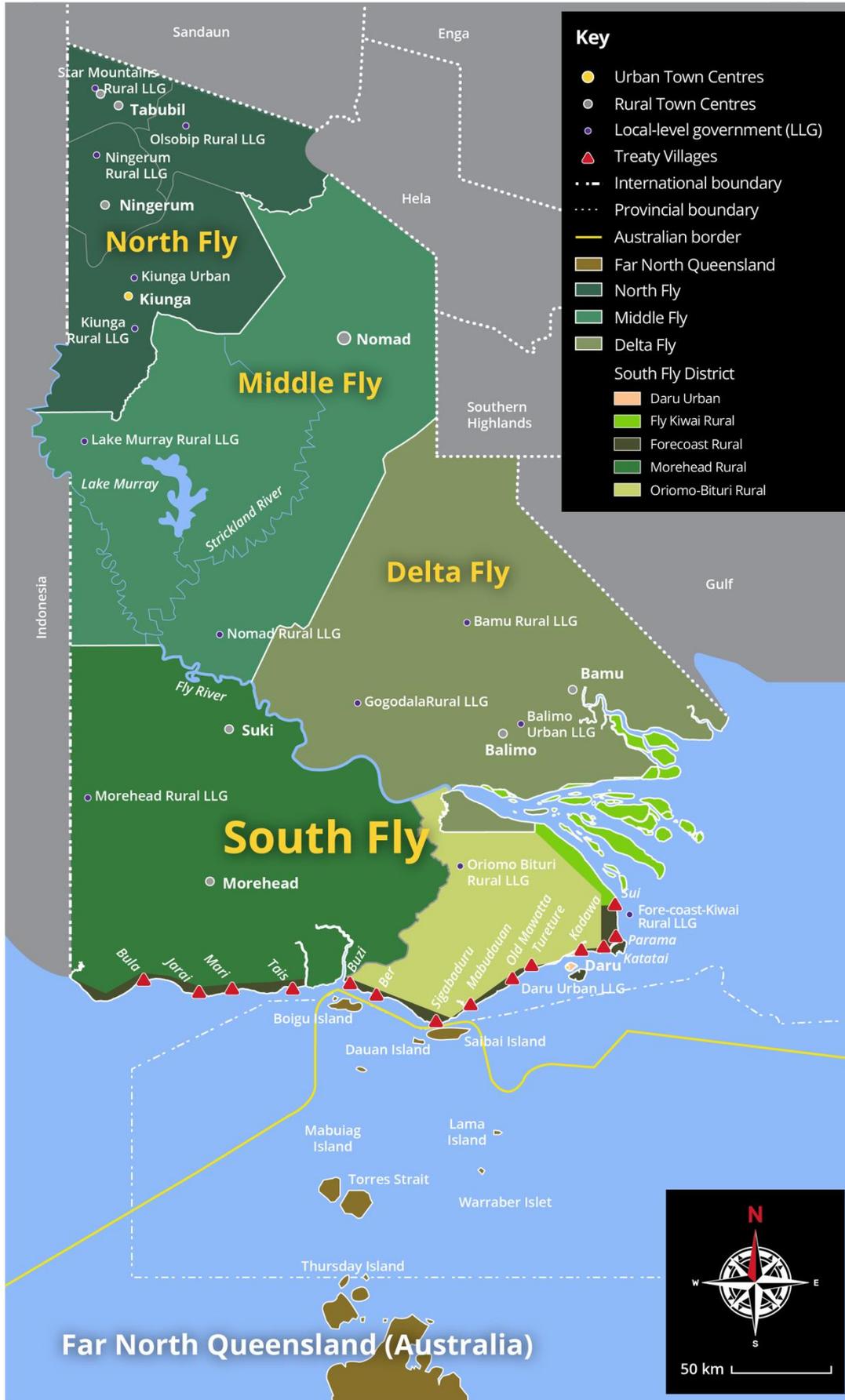
Western Province is a major contributor to PNG's economy through the Ok Tedi mine, which has contributed between 15% and 25% of PNG's gross domestic product since it opened in 1985. However, this resource wealth has not translated into inclusive growth. Human development outcomes remain low, despite the channelling of substantial resources through organisations specifically established to manage revenues from the mine. The mine's life is expected to expire in 2030. Its operations have had impacts on the environment as a result of ongoing waste discharge, damaging downstream riverine systems.

The PNG Sustainable Development Program (PNGSDP) was created when BHP divested its ownership of Ok Tedi mine in 2002. PNGSDP supports key investments in Western Province in health, education, and agriculture. OTDF manages community development benefits from current mine royalties. Smaller in scale than PNGSDP, its mandate is restricted to working with communities (156 villages) immediately adjacent to the Fly River corridor.

The opportunities for, and challenges to, service delivery in Western Province are impacted by the geographical environment. Extreme physical challenges make logistics difficult and costly, resulting in high operational costs. Lack of transport and high fuel costs remain one of the most significant constraints to the region's development. The level of remoteness makes health and education service delivery incredibly challenging.

Compounding this, Western Province experiences a long dry season followed by a heavy wet season, which often results in flooding, particularly in the lowland areas of the province. Low-lying South Fly is particularly vulnerable to saltwater inundation and king tides, which can give cause food security and water supply issues. Climate change is already impacting large areas of South and Middle Fly and is expected to exacerbate issues with health service access and to present challenges to the delivery of COVID-19, TB, dengue, Ross River virus, melioidosis, and nontuberculous mycobacterial infection support.

Figure 1: Map of Western Province



## Why a place-based approach?

A place-based approach provides a mechanism to better coordinate and deliver investments in one geographical location by contextualising issues, local resources, and knowledge in order to maximise impact; it is an integrated approach that uses horizontal linkages across different sectors to develop a holistic solution, specific to the opportunities and challenges of a given location – in this case, Western Province.

To inform the development of the present strategy, in 2021 an independent analytical review of Western Province was commissioned by the Australian High Commission, led by Professor Mark Moran.<sup>1</sup> Over 50 interviews were conducted, including with the Provincial Administrator, Open Members, and development partners. The analysis provided recommendations for further Australian engagement with Western Province, based on their potential to achieve impact supporting mutual interests shared by Australia and Western.

The strategy recognises that a place-based approach is not a panacea as regards addressing all problems and development challenges. Western leaders and the Western Provincial Government acknowledge that the province faces fundamental challenges, such as the need to improve systems of accountability and governance, which are the foundation of long-term sustainable development.

At the whole-of-government level, there have been long-standing operations in Western under Australia's Defence Cooperation Program, its policing partnership with the province, and its engagement with customs, immigration, and quarantine agencies, particularly at Australia and Western's shared maritime border in the Torres Strait. This includes support to the Government of PNG on border security to mitigate transnational and serious organised criminal syndicates that seek to exploit porous borders through illegal crossing and other nefarious activities.

These ongoing operations are complemented by established development assistance programs led out of the Australian High Commission, as well as joint activities, including Joint Cross-Border Patrols and Treaty Awareness Visits, and a network of locally engaged community rangers on each side of the Torres Strait, which over the years have yielded significant outcomes through multi-agency investments in law and justice and health security.

Since the global COVID-19 pandemic began in early 2020, key lines of Australia's support were re-shaped to support equities and partners across Western Province, including:

- direct budget support to the WPHA and continued funding of NGOs and our delivery partners across Western Province;
- support to upgrade Daru General Hospital and to operationalise Mabudawan Health Centre;
- developing new activities to improve water and food security in up to 40 wards across South Fly, including PNG's Treaty Villages; and
- new infrastructure investments in maritime transport, communications, and electricity, including the construction of a new jetty at the Mabudawan Health Centre in November 2021, improving access for communities, patients, and supplies.

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<sup>1</sup> Moran, M. (lead author), Parker, A., Curth-Bibb, J., Craid, D. (2021) 'Analytical Review Paper on Western Province, Papua New Guinea', High Commission of Australia.

## STRATEGIC VISION AND OBJECTIVES

Our shared strategic **vision** is for an inclusive, healthy, educated, secure, and economically prosperous Western Province. The **objective** is to promote an effective partnership that supports Western Province's Provincial Development Plan – New Way Forward, and that fosters stronger ties and greater coordination to improve human and economic development, enabling infrastructure and regional security.

The strategy sets out **three pillars of action** to promote a prosperous Western Province. These pillars seek to unify Australia's development assistance and to leverage sectoral collaboration, underpinned by a whole-of-government approach. Effective governance, gender equality, and climate change will be mainstreamed across the three pillars to improve outcomes and to maximise impact.

The first pillar of action, **human development**, aims to strengthen and consolidate development assistance to improve health security, education, WASH, and food security initiatives.

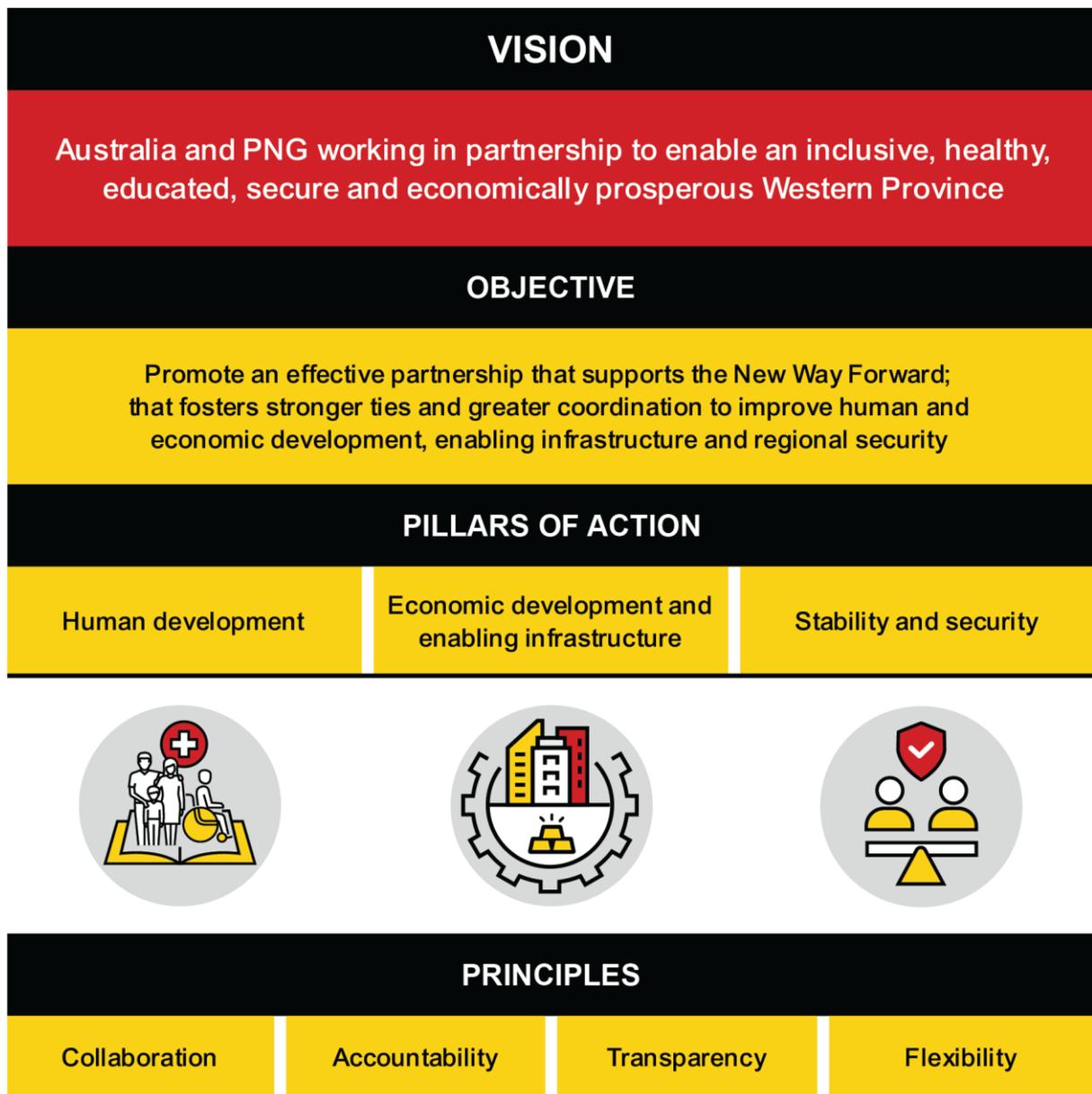
The second pillar of action, **economic development and enabling infrastructure**, aims to support inclusive economic growth by strengthening infrastructure and improving agriculture, fisheries, and livelihood needs.

The third pillar of action, **security and stability**, supports mutual priorities in defence, border management, trade, policing, and law and justice programs, to promote a stable and prosperous Western Province.

Where possible, actions outlined in the strategy will support Western's development of its institutions and capability by aligning programming with agency priorities. The guiding principles for the partnership are as follows:

1. **Collaboration**, through a commitment to working in partnership towards a common vision and objectives.
2. **Accountability**, relating to shared responsibility for delivering on joint activities and performance
3. **Transparency** in all our collective work to deliver on this strategy.
4. **Flexibility** to assist each other in times of need and to respond to emerging priorities as they arise.

Figure 2: Summary of Western Province Strategy Structure



# PILLARS OF ACTION

## PILLAR 1: HUMAN DEVELOPMENT

The Western Provincial Development Plan – New Way Forward acknowledges that Western Province has limited health and education services and facilities. Investing in health, education, water, and food security are key drivers for improving human development.



### Health security

Communicable diseases, such as TB, diarrhoeal diseases, and acute respiratory disease are major causes of mortality in Western Province. South Fly District has had some of the worst incidences (on a per capita basis) of drug-resistant TB in the world. Despite low reported cases of deaths in 2020–22, and exceeding the PNG national rate of vaccinations, (there is an over 45% double vaccination rate in PNG Treaty Villages), the global COVID-19 pandemic is expected to have a lasting impact in Western.

The health system in Western faces significant operational deficits and health services are often dependent on the heroic efforts of individuals to keep facilities open and functioning. Churches (such as the Evangelical Church of PNG, the Catholic Church, the United Church, and the Seven Day Adventist) play a significant role in providing health services in the Province. With their extensive reach and networks, churches can often maintain a local presence in villages where the WPHA has been unable to do so.

A key health investor in Western Province is PNGSDP, which implements a significant program of Aerial Health Patrols. These patrols fly into remote communities to deliver primary healthcare, such as vaccinations, family planning care, and maternal healthcare, and to operate outpatient clinics.

Australia's long-standing PNG health program has been supporting and strengthening the WPHA to improve health security by investing in reducing the spread and treatment of drug-resistant TB, strengthening immunisation systems, improving sexual and reproductive health, and increasing HIV control. Australia has supported priority upgrades at the Daru General Hospital and has established the Mabudawan Health Centre to better support the healthcare needs of communities in South Fly.

## **ACTION**

### Immediate:

- Australia will continue to prioritise working in partnership with the WPHA to respond to the COVID-19 pandemic and on vaccination roll-out.
- Australia will continue to support South Fly and the PNG Treaty Villages' capacity to meet local health needs, including supporting the Mabudawan Health Centre.

### Short-term:

- Australia, in partnership with the WPHA, will continue to strengthen health service provision in line with WPHA priorities. This will include maintaining and leveraging existing investments: for example, TB control and routine immunisation, Mabudawan Health Centre, and Daru General Hospital. Australia will support the WPHA to develop a hospital master plan and to complete the WPHA's health service planning.

### Long-term:

- Australia will work with the WPHA to identify new opportunities to strengthen health service delivery. Opportunities will be explored with the WPHA to encourage collaboration with other providers of health services operating in the province.

## **Education**

An educated population is a crucial factor in human development and is a proven driver of economic growth. Western has the highest proportion of schools located in remote locations of all areas in PNG, which makes it extremely challenging to deliver and supervise educational services. Despite this, education is highly valued by the people of Western and its impact on communities is significant.

School boards are a community resource that work to build local governance and leadership capability. Schools are often the only organisations at the village level that have a bank account which can be used to receive government funds, and often function regardless of the physical condition of the school. Until 2019, the absence of a provincial teacher's college in the province limited Western's ability to train and deploy an adequate number of teachers – a shortcoming that is common across PNG. However, PNGSDP has now established a training campus in Balimo (Middle Fly) to support teacher training (as well as health worker training). The campus provides a Diploma in Primary Teaching aimed at training primary school teachers and welcomed its first intake of students in 2022.

Australia will continue to work in partnership with the National Department of Education through the Partnerships for Improving Education program and the World Bank Education Programmatic Advisory Services and Analytics Support program. These investments will support improvements in education service delivery, including strengthening policies and practices to improve learning outcomes in early grades across PNG. Both programs will have flow-on benefits to Western Province by strengthening core education service delivery systems. Further, Western is one of five provinces targeted by the National Department of Education's Education in Emergencies Response and Recovery Plan, funded by Australia and the Global Partnership for Education.

## **ACTION**

### Short-term:

- Australia will support engagement through the Australia Awards to improve applications from the education and health sector in Western Province to increase the number of awardees.
- Through UNICEF, Australia will continue to support over 240 schools, predominantly across North Fly, on COVID-19 and hygiene awareness, student and teacher incentives, and ongoing disaster risk management.
- Australia will support improvements in the access of communities in Western Province to high-quality TVET that is responsive to industry needs through the Improved TVET for Employment project.

### Medium-term:

- Australia, in partnership with the National Department of Education, will support strengthening core education systems at the national level through the Partnerships for Improving Education program and the World Bank program to improve learning outcomes in early grades across PNG, which will also benefit Western schools.
- Australia will work in partnership with the Provincial Education Department to combine efforts with education programs funded by other development partners and will expand the Church Partnership Program's engagement in South Fly.

## **WASH**

Access to clean water and improved sanitation and hygiene (WASH) is a fundamental human development challenge in Western Province. Diarrhoeal deaths because of inadequate WASH are too high. In 2011, there was a major outbreak of the waterborne disease cholera in South and lower Middle Fly, resulting in nearly 4,000 cholera cases and 350 deaths – the highest case fatality rate of any region in PNG during the epidemic.<sup>2</sup>

The impacts of climate change are also leading to large areas of Western, particularly South Fly, being inundated through frequent king tides. South Fly is also subject to a prolonged dry season when access to potable water is regularly an issue.

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<sup>2</sup> Western Provincial Administration (2011) 'Details of the Cholera Response: Western Province Cholera Outbreak', unpublished report; Horwood, P. and Greenhill, A. (2012) 'Cholera in Papua New Guinea and the importance of safe water sources and sanitation', *Western Pacific Surveillance and Response Journal* 3(1) p. 13.

## **ACTION**

### Short-term:

- Australia will work in partnership with the South Fly District Development Authority to continue to support implementation of the South Fly District WASH Plan.

### Medium-term:

- Australia will support investments to improve South Fly communities' access to clean and reliable water and to improve hygiene and sanitation practices, informed by the District WASH Plan. This will include improving access to groundwater through deep borewells, rainwater tanks, toilets, and handwashing stations.

## **Food security and nutrition**

The Western Provincial Development Plan – New Way Forward prioritises improving food security and agriculture in Western Province. Major droughts occurred in 1997 and 2015 in the province, resulting in chronic food and water insecurity. Food insecurity remains a persistent challenge, particularly in South Fly, and this risk has been exacerbated by closure of the border with Australia due to COVID-19, which has stopped traditional visits between some communities in the Torres Strait.

In response to this situation, Australia is implementing the South Fly Resilience Plan to improve food and water security in up to 40 wards in South Fly. To support implementation of this plan, Australia has chartered the 'MV Islander' landing craft to deliver food and water security supplies. This included supporting health and infrastructure initiatives that benefitted the South Fly community during the COVID-19 pandemic.

Nearly half of PNG's children are stunted due to chronic malnutrition,<sup>3</sup> fundamentally undermining the country's social and economic development potential. Stunting is linked to diet, poor water and sanitation, maternal health, and child feeding practices. Australia has partnered with the Government of PNG and the World Bank to support a Child Nutrition and Social Protection program to address stunting in the first 1,000 days of a child's life. With Australia's support, Western Province will be a beneficiary of this program.

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<sup>3</sup> Hurney, M. (2017) 'Short Changed: The Human and Economic Cost of Child Undernutrition in Papua New Guinea', Save The Children. [www.savethechildren.org.au/getmedia/565e0352-6a4f-46c1-bea8-331acd1b4c8c/png-nutrition-report.pdf.aspx](http://www.savethechildren.org.au/getmedia/565e0352-6a4f-46c1-bea8-331acd1b4c8c/png-nutrition-report.pdf.aspx).

## **ACTION**

### Short-term:

- Australia will continue to work in partnership with the South Fly District Development Authority to support activities that improve food security. This includes support to the development of a District Agriculture and Food Security Plan and establishing agriculture hubs to provide training and drought-/flood- resistant cultivars.
- South Fly will be included in the Australian-funded rural household survey conducted by the International Food Policy Research Institute, which aims to collect useful anthropometric, dietary, and income-expenditure data.

### Medium-term

- Australia will support the Government of PNG and the World Bank to develop a Child Nutrition and Social Protection program, with a pilot in Western Province.
- The Australian Centre for International Agricultural Research will explore opportunities to expand its programming to smallholder farmer families through the Family Farms Teams project. This will encourage men and women to work in new ways that recognise women's contribution and that reorient gendered norms.

## PILLAR 2: ECONOMIC DEVELOPMENT AND ENABLING INFRASTRUCTURE

The Western Province Development Plan – New Way Forward prioritises economic development and views agriculture, fisheries, and enabling infrastructure as potential drivers of inclusive economic growth.



### Economic development and livelihoods

The greatest obstacle to economic development in Western Province is the high cost of transportation, relative to household income. The wholesale cost of fuel is one of the highest in PNG, and this affects all aspects of life, including access to markets and services. The price of a litre of fuel in villages in South Fly can be double that on the Torres Strait Islands, for example, and much higher again than in Indonesia's neighbouring Papua Province, where the cost of fuel is subsidised.

Markets also remain thin and underdeveloped in Western Province, with few benefits reaching primary producers. Rubber is the longest established and most pervasive cash crop, while vanilla and cocoa are emerging as viable new crops for smallholders. Global demand for specific fishery products has created new markets in South Fly but most trading practices are unregulated, having emerged out of informal and unregulated arrangements. There are also few downstream processing options to improve smallholder income.

Finding cost-effective ways to invest in improved access to markets and services will greatly improve socioeconomic outcomes in the province. Targeted market development activities at the sub-district level, informed by detailed supply chain analysis, including freight handling costs, also has the potential to increase returns to smallholders. In South Fly, establishing sub-district market hubs, such as in Kibuli and Morehead, for fisheries and agriculture products will stimulate local economies and promote food security.

Australia's new Economic Partnership program will provide support to Western Province in regard to resources and agriculture, with a focus on biosecurity. Western is also part of Australia's Pacific Australia Labour Mobility program that supports Papua New Guineans to fill labour gaps in, and work in seasonal jobs in, Australia.

Australia will also work with the Provincial Administration to harness opportunities to collaborate with key development partners to improve productivity in the resources sector. In the fisheries sector, we will also work on our 'catch-sharing' arrangements with PNG in the Torres Strait Protected Zone.

## **ACTION**

### Short-term:

- As part of its approach to bringing down costs, Australia will work in partnership with the Provincial Administration to explore opportunities to improve the price of fuel in line with Independent Consumer and Competition Commission (ICCC) regulations.
- Australia will work with the PNG Government, South Fly District Development Authority, Provincial Administration, Ok Tedi Development Foundation (OTDF), and industry partners to develop a District Agricultural Development and Food Security Plan and a Fisheries Development Plan, including consulting with Australian stakeholders, such as the Australian Fisheries Management Authority.
- Australia will support the development of sub-district fisheries and agriculture hubs to provide more localised access to inputs and training, and to serve as aggregation points to improve market access in South Fly.

### Medium-term

- Australia, in collaboration with the Provincial and South Fly District Administration, will support a feasibility assessment to determine the viability of establishing a South Fly Fisheries Processing Hub and Quarantine Export Facility that can achieve Department of Agriculture, Water and the Environment (DAWE) accreditation for biosecurity.
- Australia will work with PNGSDP and OTDF to link smallholder farmers benefitting from the agriculture hubs with PNGSDP and OTDF-run nucleus estates in Western.
- Australia will explore opportunities for Western citizens to participate in Pacific Australia Labour Mobility and to travel via normal immigration routes to benefit from employment opportunities in Australia.

### Long-term:

- Opportunities will be explored to improve communities' access to markets and essential services, such as schools and health centres. This could include working with the Australian Climate Financing Partnership and other multilateral partners to support the use of alternative energy transportation options.

## **Enabling infrastructure**

The existing infrastructure in Western is underdeveloped and in need of repair. The damaged and limited capacity at Daru port constrains opportunities to improve access to markets and expand trade. In partnership with PNG Ports, Australia has committed to upgrading the barge ramp, causeway, and lighting at Daru.

Electricity in Western is unreliable and predominately sourced from diesel generators. Western will be a beneficiary of Australia's off-grid electrification program, which aims to improve power production efficiency, including scoping options to support the distribution of household solar kits across South Fly. To enhance energy security in Daru, Australia has also replaced PNG Power's diesel generators to stabilise the electricity grid, while exploring greener energy solutions in the medium term.

Although patchy, the availability of mobile phone and radio communications in Western Province provides opportunities for information dissemination and transparency initiatives. Mobile money has the potential to permit cashless transactions in village markets, and direct payments to community organisations. Australia is scoping a new medium-wave radio transmitter in South Fly to expand radio communications, which will enhance the dissemination of reliable information.

Australia is also a partner in the World Bank-led Rural Service Delivery Program (RSDP) that operates in several provinces of PNG, including Western. RSDP is a community-driven development approach to empowering communities in targeted rural areas through using an inclusive and participatory planning and implementation process. The program seeks to provide direct transfers into local-level government bank accounts to finance Ward-based small-scale projects. While the program has experienced setbacks due to COVID-19, efforts are being made to facilitate better connections between national, provincial, and local levels to unblock bottlenecks.

## **ACTION**

### Short-term:

- Australia will continue to support investments in power, maritime, health, and communication infrastructure, particularly in Daru, as well as off-grid electrification in South Fly's rural communities.
- Australia and the Provincial Administration will work with the World Bank to support the delivery of RSDP and other community grants facilities in Western Province to empower Ward Development Committees to better deliver village services and small-scale infrastructure through inclusive village processes.
- ADF, in partnership with the Government of PNG, will investigate the viability of a maritime border post on the PNG–Indonesia border (see Pillar 3 – Security and Stability).

### Long-term:

- Australia will support the Provincial Administration, in consultation with relevant national agencies (e.g. PNG Power, PNG Ports, the National Department of Health), to determine infrastructure priorities and consider areas of potential future collaboration.

## PILLAR 3: SECURITY AND STABILITY

Western Province shares a border with Australia and Indonesia and straddles a complex borderland. Western leaders view security and stability as essential foundations for human development and economic prosperity. While the borderlands provide opportunities for economic development and access, the maritime and land borders can be vulnerable to transnational crime, health security risks, and unregulated trade. This pillar aims to support mutual priorities in defence, border management, trade, policing, and law and justice programs to promote a stable and prosperous Western Province to ensure border risks and opportunities are not neglected.



### **Security – defence, border, and policing partnerships**

Security concerns are a high priority for both Australia and PNG. Securing the border between PNG, Australia, and Indonesia can be challenging, given its sometimes porous nature, length, and complexity of terrain. Western leaders acknowledge that the porous international border with Indonesia has the potential to increase health security risks and unregulated trade and are seeking strategies to mitigate such risks.

The ADF Defence Cooperation Program has supported the PNG Defence Force through border security missions, with a focus on Kiunga, Weam, and Daru in Western Province. Over the years the Defence Cooperation Program has heavily invested in the provision of logistics support to the PNG Defence Force in regard to the maintenance of existing infrastructure, as well as supporting maritime patrols in the region.

The AFP has also supported and strengthened the RPNGC Transnational Crime Unit to collect intelligence on illegal movements of people and goods. Since 2008, AFP and the Australian Border Force have worked in partnership with PNG's Immigration and Citizenship Authority and PNG Customs Service. This has achieved successes in monitoring border locations and re-establishing liaison discussions between residents and PNG agencies.

The PNG Government has requested Australian support to establish a border post on the PNG–Indonesian border. This provides Australia and the Western Administration with an opportunity to engage on a deeper, whole-of-government level while deepening the interoperability of our defence, border, and policing partnerships with the Western Provincial Government.

## **ACTION**

### Immediate:

- The Australian Border Force and AFP will work in partnership with the Government of PNG and Western Provincial agencies to better support border controls along South Fly and the outer islands of the Torres Strait.

### Short-term:

- The Australian Defence Force, in partnership with the Government of PNG, will investigate the viability of investing in the construction of a border post on the PNG–Indonesia border (see the 'Enabling infrastructure' section).
- Australia's Defence Cooperation Program will continue to work in Western Province to support PNG Defence Force border operations and to resupply troops in remote locations.

### Medium-term

- Australia will explore cross-agency collaboration activities to support RPNGC to strengthen its response to reducing conflict and improving community access to justice.

### Long-term:

- Australia will explore opportunities to support the PNG Government to improve its implementation and execution of bilateral agreements with Indonesia in relation to the shared border. Further to this, Australia, in partnership with the WPHA, will consider new opportunities for cooperation to improve disease surveillance across the border.

## **Border management and trade**

Tackling underdevelopment in Western Province not only requires effective border management but also an increase in regulated trade into Indonesia and Australia and other markets.

The Torres Strait Treaty between Australia and PNG remains an important instrument for serving the interests of traditional inhabitants in the Torres Strait region. However, the Treaty was only intended to represent PNG's coastal communities immediately adjacent to the Torres Strait – some 13 'Treaty Villages' – and not the broader community in Western Province. The Torres Strait Treaty was never designed to facilitate trade or to alleviate underdevelopment.

There is also a PNG–Indonesian Treaty, with separate bilateral instruments for border management and for traditional inhabitants. The PNG–Indonesia Treaty permits communities to cross for traditional and customary practices, but unlike in the case of the Australian border, there are no restrictions placed on where people originate from.

Opportunities could be explored to support enhanced trade into Australia through Cairns and to Indonesia through Merauke, as well as markets further afield. However, access to Australian markets is limited by the lack of shipping routes and biosecurity measures.

Australia, through the Department of Foreign Affairs and Trade, DAWE, the Department of Defence, the Department of Home Affairs, and Austrade, will work with PNG agencies, such as those listed above and the National Agriculture and Quarantine Inspection Authority, to further support the development of cross-border inter-agency collaboration in the areas of border management, including trade, natural resource management, fisheries enforcement, biosecurity, and health security.

## **ACTION**

### Medium-term

- Australia will support a feasibility assessment to determine the viability of establishing a South Fly Fisheries Processing Hub and Quarantine Export Facility that can achieve DAWE accreditation for biosecurity (see the 'Economic development and livelihoods' section).

### Long-term

- Australia's whole-of-government agencies will work with the Provincial Administration to build on existing agency agreements to further support the development of inter-agency collaboration between Australia and PNG in areas such as border management, including trade, fisheries enforcement, and biosecurity. This collaboration will build the capacity of counterparts on the PNG side through a targeted program that is designed to improve border management and regulated trade.

## **Law and justice**

Economic and social factors in Western Province, such as the youth bulge, limited economic opportunities, urban migration, and prevalent drug and alcohol abuse, have resulted in widespread crime and lawlessness in the province. Police numbers are inadequate and officers lack the resources to respond to complaints in remote communities. Village Courts are key access points for justice for many communities, but they are inconsistent in their training, gender parity, and effectiveness.

Western lacks key pieces of justice infrastructure, including a permanent office for the Office of Public Prosecutors, the Public Solicitor's Office, an FSV safe house in Daru, and a functioning corrections facility. The infrastructure that does exist is located in urban areas, making it difficult and expensive for people in remote communities to access. This includes the District Courts, the RPNGC FSV Unit, and the parole and probation officers.

Gender-based violence (GBV) is prevalent and severe, impacting on women's opportunity to participate in society. Protection Orders issued by District Courts are not enforced by under-resourced police, and families are often unwilling to support survivors of GBV due to fear of repercussions from the perpetrator. As a result, cases of violence against women generally go unreported.

The Daru FSV safe house is not currently operational and while the District FSV Action Committee does awareness work around GBV, its activities are largely limited to Daru. The situation outside of Daru is considerably worse: women struggle to access healthcare for violence-related injuries, which can lead to disability. There are opportunities to build on the existing capabilities within the Village Courts system, but too few court officials or magistrates are female. Providing support to ensure that women take up these roles could contribute to them succeeding as leaders, as well as improving the effectiveness of the courts in dealing with issues like GBV.

Since 2009, Australia's Law and Justice program has supported Western Province to strengthen coordination mechanisms and improve law and justice service delivery. Efforts have targeted the pervasive challenges of GBV and FSV, Village Courts, and Land Mediators. The program has also worked closely with the Provincial Administration to respond to specific safety and security concerns, including drug and alcohol abuse and diverting youth from crime.

## **ACTION**

### Short-term:

- Australia will continue to work with the Provincial Administration to strengthen Village Courts and Land Mediators to deliver more efficient justice services, and support law and justice government agencies, civil society organisations, and the RPNGC to address safety and security concerns, with a focus on GBV.
- Australia will continue to explore opportunities to strengthen support services and referral pathways for survivors of GBV and to increase the number of effective investigations and prosecutions of perpetrators.
- AFP will work with the Provincial Police Headquarters in Daru in South Fly to improve public safety by supporting criminal investigations, including in relation to FSV, and transnational, serious, and organised crime.
- Australia is engaging with Correctional Services to explore options to provide support to re-open the Daru Correctional Facility, which would improve public safety through providing an accessible facility for convicted offenders.

### Medium-term

- Opportunities will be explored to collaborate with Australia's law and justice development program and the AFP to support the RPNGC to strengthen its response to reducing conflict and improving access to justice.

## CROSS-CUTTING THEMES

Effective governance, gender equality, and climate change will be mainstreamed across the three pillars to improve outcomes and to maximise impact.

### Effective governance

Good governance is central to delivering on the strategy's overarching vision. It influences the environment for human development, inclusive economic growth, and security, and without it, development cannot be sustained.

Historically, few of the benefits from mining and extractive activities in the province have trickled down to Western communities. The benefits obtained from the resource and fisheries sector in Western are intended to fund local projects, including agriculture, infrastructure, education, and health, which have the potential to contribute to inclusive economic growth.

Socioeconomic development across Western is varied, due in part to the complex, interconnected institutions, politics, and finances involved in the allocation, use, and management of the proceeds from mining, logging, and fisheries.

The expected closure of the mine at Ok Tedi in 2030 will bring enormous change; if it is not handled proactively, it could result in a deterioration in socioeconomic conditions across the province. In this context, Western leaders acknowledge that it is critical to leverage and diversify resources by supporting other industries, such as agriculture and fisheries, to shift the dependency on mining royalties. Also of critical importance is a provincial government that can support service delivery to its people, through predictable financial support and a commitment to human resource development. It is important to also support and strengthen the self-reliance and accountability of local village-level institutions to empower communities. Despite the absence of an even distribution of government services across Western, informal village organisations are operating in communities.

Australia has supported a Community Ranger Program in South Fly since 2014 under the auspices of the Building Resilience in Treaty Villages plan (now the SFRP), which has expanded from PNG's 13 Treaty Villages to 40 wards across South Fly (informed by the SFRP). The SFRP's Ranger Program provides technical support and builds village leadership and governance capabilities. Community Rangers have established contacts in the Ward development committees, and a significant number of rangers who have been selected are female.

### ACTIONS

#### Short-term:

- Australia in collaboration with the Provincial Administration will support the completion of an organisational capacity assessment and development of Provincial Capacity Development plan to address governance issues and capabilities.
- Australia, in partnership with the South Fly District Administration, will continue to support the Community Ranger Program in South Fly to improve and empower ward governance structures and community driven development initiatives.

#### Medium-to long term:

- Support the Provincial Administration in public finance management, including undertaking a social and economic assessment factoring in the possible cessation of mining and ore processing activity at Ok Tedi in 2030.

## Gender equality

Australia and the Western Provincial Government are committed to pursuing gender equality outcomes. Gender equality is both an important right and a powerful driver of development and stability. Promoting gender equality will be integral to advancing the strategy's vision and objectives.

Gender equality means equal opportunities, rights, and responsibilities for women and men, girls, and boys. Gender inequality is a result of unequal power distribution between women and men, which can be exacerbated by ongoing discrimination, weaknesses in policies and institutions, and social relations that normalise inequality. Investing in women's leadership and increasing their participation in decision-making is a key driver of growth and prosperity.

In Western Province, women's networks are important sites where women's leadership can be cultivated. Women leaders place a greater value on sustainable development, transparency, and investments in healthcare and schooling. Across Western, women predominantly choose to be teachers and health workers. More girls than boys attend school from preparatory to Grade Eight level. Women are the main users of markets in the province and the main contributors to the informal economy. These are potential sectors where networks form. There is an opportunity to improve communication between these networks and to expand their reach into rural areas to empower existing, and develop new, leaders. Women's networks can be a site for building the capacities of women leaders to tackle GBV. Women leaders play a key role in joining up the system, including connecting abused women to the police, referral services, and places where they can shelter.

## **ACTION**

### Short-term:

- Australia will undertake an analysis of gender-related constraints and opportunities in Western to inform future development programming.
- Women's networks will be mapped to better understand how they operate, their aspirations, and their influence on local-level government. Activities to support their development and voices will be implemented.
- Australia will continue to partner with Family Support Centres in Western through the new gender equality program, PNG Women Lead, in order to improve services and referral pathways for survivors of violence.
- Agriculture, food security, micro-enterprise, and financial inclusion activities will be designed to increase economic opportunities for women.
- Australia will continue to support women's networks to provide services and conduct awareness on GBV, including strengthening and establishing District FSV Action Committees.

### Medium- to long-term:

- Opportunities will be explored for Western Province women's groups to learn from the success of women's groups in other parts of PNG: for example, through mentoring and collective action.
- Through the Building Citizenship and Engagement Program, Australia will explore opportunities to engage local organisations to support social accountability approaches around GBV service delivery.
- Australia will support strengthening women's empowerment organisations to support greater engagement by women in political systems.

## Climate change

Sea-level rise and induced king tides are already having adverse effects on Western coastal communities, with reports that communities are witnessing greater variations in climate, including more severe dry periods followed by heavier rain and unprecedented flooding. An increasingly unpredictable climate will also impact agricultural productivity, health, and the ability of people to sustain their livelihoods.

**Figure 3: Treaty village house impacted by rising high tides**



The Provincial Administration acknowledges the need to undertake planning, and particularly to better inform infrastructure, access to clean water, and agriculture activities in regard to adapting to, and mitigating, the impact of climate change and sea-level rise.

### **ACTION**

Short-term:

- Opportunities will be explored through the Australia Pacific Climate Partnership to support the provincial and district administrations to develop a climate change strategy to prepare for the impacts of a changing climate and to improve disaster preparedness and response.

# IMPLEMENTATION

## WESTERN PROVINCE PARTNERSHIP

Contributing towards this strategy, a Western Province Partnership (WPP) Design will be developed, spanning 3.5 years, with an option for a four-year extension. Sector activities of Australian-funded programs will be informed by their own separate program designs.

The WPP will support strategy implementation through poverty reduction and resilience building, including strengthening governance and service delivery. It will transition elements of the SFRP to a longer-term livelihoods and resilience intervention. Further, WPP will support the objectives of other Australian interventions and national and provincial investments more widely, including community mobilisation, government capacity, greater gender and disability equality, and ability to factor climate change into policy and practice.

WPP will facilitate broad alignment and will support the overarching governance mechanism to measure and report collectively on progress. The WPP will recognise the importance of building sustainable solutions over the long term by working through Western's institutions.

## GOVERNANCE ARRANGEMENTS

To achieve shared strategic priorities and convene other development actors operating in Western, Australia and the Western Provincial Government will co-convene annual forums, in the form of meetings of the Western Province Steering Group. These Steering Group meetings will be co-chaired by Australia's High Commissioner to PNG and the Western Province Governor. Attendees will include District MPs, PNGSDP, OTDF, appropriate national government representation, relevant Australian whole-of-government agencies, and development partners.

Australia's Torres Strait Island regional leaders and communities will be consulted and engaged, and careful consideration will be paid to any activities that impact on the Torres Strait, in accordance with the Torres Strait Treaty's consultation provisions.

## REVIEW

This strategy will be reviewed within two years of operation to inform and adjust implementation. The WPP will be independently reviewed after two and half years of operation.