PAPUA NEW GUINEA

Extractive Industries Transparency Initiative

A report on the outcomes of subnational capacity building workshops held in:

Lae Kavieng Wewak

Martyn Namorong
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Acknowledgements

PNG Resource Governance Coalition and the Consultative Implementation and Monitoring Council (CIMC) would like to acknowledge the support of the following individuals and organizations:

**Dr. Wilfred Lus and the World Bank Group**

**Mr. Lucas Alkan and Mr. Christopher Tabel, -PNG EITI National Secretariat**

**Mr. Arnold Lakamanga, Ms. Dianne Aikung-Hombanje, Mr. Kenneth Avira - Mineral Resource Authority**

**Mrs. Wallis Yakam, Mr. Henry Yamo, Ms. Millie Ovasuru – Consultative Implementation and Monitoring Council**

List of Abbreviations

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<tr>
<td>CIMC</td>
<td>Consultative Implementation and Monitoring Council</td>
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<td>DPE</td>
<td>Department of Petroleum and Energy</td>
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<td>EI</td>
<td>Extractive Industries</td>
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<td>EITI</td>
<td>Extractive Industries Transparency Initiative</td>
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<tr>
<td>FOB</td>
<td>Free On Board</td>
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<tr>
<td>INA</td>
<td>Institute of National Affairs</td>
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<tr>
<td>MOA</td>
<td>Memorandum of Agreement</td>
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<td>MRA</td>
<td>Mineral Resource Authority</td>
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<tr>
<td>MSG</td>
<td>Multi-Stakeholder Group</td>
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<td>PNGEITI</td>
<td>Papua New Guinea Extractive Industries Transparency Initiative</td>
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<td>PNGRGC</td>
<td>Papua New Guinea Resource Governance Coalition</td>
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1.0 Executive Summary

Papua New Guinea’s extractive industries have the potential to transform the lives of millions of citizens. Despite their enormous contribution to the national economy they remain a source of social and environmental disruption.

In 2013, the government of PNG decided to sign up to the Extractive Industries Transparency Initiative (EITI). Cabinet appointed the Treasurer as the lead government Minister and the Department of Treasury as the lead implementing agency.

Active civil society participation in the EITI process can ensure that the government and industry are kept transparent and held accountable.

Papua New Guinea Resource Governance Coalition is the civil society coordinating desk assisting civil society to participate in the EITI. PNGRGC is housed within the Consultative Implementation and Monitoring Council.

In recognition of PNGRGC’s role, the PNGEITI National Secretariat, with World Bank support, funded three subnational capacity building workshops. The workshops provided an opportunity for government and civil society leaders in Morobe, New Ireland and East Sepik provinces to familiarize themselves with the machinations of the mining industry. It also enabled PNGRGC and the PNGEITI National Secretariat to network and establish provincial focal points for EITI engagement.

It has been recognized following the workshops that continuous engagement is needed including provision of educational material, women’s empowerment and further capacity building of sub-national government and civil society leaders.
2.0 Introduction

Papua New Guinea’s extractive sector dominates the national economy being the largest contributor of foreign direct investment and exports.

In terms of mining, PNG ranks as one of the top 20 mineral regions of the world. It has nine (9) operating mines and over 80,000 small-scale miners.

PNG’s mining industry is regulated by the Mining Act 1992, which is administered by the Mineral Resources Authority.

The country is ranked 99 out of 103 countries with regards to crude oil reserves. It has 2.53 million barrels of proven oil reserves and has a liquefied natural gas plant with a capacity to produce 6.9 millions tonnes of LNG per year.

The oil and gas sector is regulated by the Oil and Gas Act 1998 and the Oil and Gas Regulation 2002, which are administered by the Department of Petroleum and Energy.

In 2014 the extractive sector accounted for 84 percent (PGK17, 522.5 million) of PNG’s total exports and contributed around 13 percent of total government revenue. The sector also contributed between 2.5 percent to 10 percent of total formal employment.

It is widely acknowledged that whilst the extractive sector is a significant contributor to the national economy, the economic benefits have not been translated into sustainable human development. Whilst corruption is plays a part in producing this effect, the state’s ability to maximize resource rent collection may also play a role.

The extractive industries transparency initiative (EITI) aims to address the challenge of translating natural resource wealth into sustainable human development. The EITI is a global standard aimed at improving natural resource governance.

In PNG, implementation of the EITI began in 2013 when the Cabinet decided in March (NEC Decision No. 90/2013) that PNG would sign up to the requirements of the EITI. Cabinet endorsed the Treasurer as the lead Government Minister and appointed the Treasury Department as the lead implementing agency.

The PNGEITI National Secretariat was thus set up within Treasury.

2.1 About the workshops

The PNGEITI National Secretariat in partnership with the World Bank appointed the Institute of National Affairs (INA) and the Consultative Implementation and Monitoring Council (CIMC) as the lead implementing agencies of a series of subnational capacity building workshops.
The workshops were held between October and November 2017 in Lae, Kavieng and Wewak and were facilitated by the PNG Resource Governance Coalition (PNGRGC).

2.1.1 Objectives

The EITI National Secretariat is currently working towards reporting of payments to subnational governments. The series of workshops were aimed at:

1. Sensitizing provincial government officials about EITI reporting requirements
2. Sensitizing civil society leaders about the EITI and how civil society can leverage EITI data to improve governance and service delivery at the subnational level
3. Establish provincial focal points for EITI

2.1.2 Conduct of Workshops

Presentations were made by

1. Mineral Resources Authority
2. PNGEITI National Secretariat
3. CIMC

All sessions were facilitated by the PNG Resource Governance Coalition.

Except for Lae, the workshops were run for three days. Day 1 of the workshop was exclusively for government officials whilst Days 2 and 3 were exclusively for civil society leaders.

2.1.3 Participation

The workshops were well attended by both government and civil society leaders.

Government participation involved senior administration officials. In Kavieng, the workshop was opened by New Ireland Governor and former PNG Prime Minister, Sir Julius Chan. In Wewak, the Deputy Administrator of East Sepik Province opened the workshop, which was witness by a delegate from the Office of the Governor.

Civil society participation involved prominent provincial activists and community leaders. In Kavieng where women own the land, landowners from Lihir Gold Mine attended the workshop. In Lae, the President of the Union of Watut River Communities attended the Workshop. In Wewak leading community figures including former Provincial Council of Women president were in attendance.
3.0 Presentations

The same presentations and key messages were delivered in all three workshops at Lae, Kavieng and Wewak.

3.1 Mining in Papua New Guinea

*Presented by Mineral Resource Authority*

**Key Message 1**

The State owns all minerals in Papua New Guinea as per section 5 of the Mining Act 1992.

**Key Message 2**

This sector is a mature, thriving and a sustainable money earner for Papua New Guinea. It needs to be protected to continually support the country’s endeavors to grow sustainable business opportunities. Globally Competitive Sector: Our competitors are highly prospective with similar social & regulatory issues.
**Key Message 3**

Mineral Resource Authority is mainstreaming transparency in how it conducts business as part of its efforts to support EITI implementation.

- Introduction of EITI Legislation
- MOAs to be public documents
- Use of independent auditors in all MOAs
- Business development audits (HV/Lihir)
3.2 Benefits of Mining in PNG

Presented by Mineral Resource Authority

Key Message 1
Mining Industry makes significant contribution to the national economy.
- PNG is a mineral dependent economy (FOB of over PGK billion=USD 3 billion).
- More than 50% of the export revenue is from mineral exports.
- Contribution from 4 large mines, 2 medium mines, 2 small mines and nearly 100,000 artisanal miners.

Key Message 2
Mining industry supports various social and economic sectors
- Employment Opportunities
- Business Opportunities
- Improved Health & Education Services plus others
- Infrastructure Improvement - communications, transport, networking

FOB Revenue from Operating mines and Alluvial export

<table>
<thead>
<tr>
<th>Year</th>
<th>Operating Mines</th>
<th>Alluvial Exports</th>
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<tr>
<td>2014</td>
<td>PGK 8,073,086,263</td>
<td>PGK 436,196,258</td>
</tr>
<tr>
<td>2015</td>
<td>PGK 6,829,489,735</td>
<td>PGK 357,902,515</td>
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<tr>
<td>2016</td>
<td>PGK 9,347,223,702</td>
<td>PGK 353,652,652</td>
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<tr>
<td>Aug-2017</td>
<td>PGK 7,187,197,211</td>
<td>PGK 269,774,616</td>
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Key Message 3
The state can benefit through equity participation in the industry. State has a right but not an obligation to take up to 30 percent equity in a project.

Key Message 4
Landowners and Provincial Governments benefits are defined in Memorandums of Agreements (MOAs). Each Mining project has an MOA.
- 2% royalty taken by the government is shared equally between Landowners and the Provincial Government
- Government provides free carry equity to landowners and provincial governments
- It is important that landowners and sub-national governments effectively negotiate MOA projects
3.3 EITI in Papua New Guinea

Presented by the PNG EITI National Secretariat

**Key Message 1**

EITI is a global standard that seeks to improve transparency and accountability in the resource sector via 7 requirements:

1. Effective Oversight of the multi stakeholder group.
2. Timely Production of the EITI Reports.
3. EITI Reports that include contextual information about the extractive industries.
4. The production of comprehensive EITI Reports that include full government disclosure of extractive industry revenues, and disclosure of all material payments to government by oil, gas and mining companies.
5. A credible assurance process applying international standards.
6. EITI Reports that are comprehensible, actively promoted, publicly accessible, and contribute to public debate.
7. The multi-stakeholder group to take steps to act on lessons learned and review the outcomes and impact of EITI implementation

**Key Message 2**
In PNG EITI implementation is coordinated by a National Secretariat and supported by the Minister of Treasurer as the Chairman of a Multi-Stakeholder Group (MSG).

**Key Message 3**

EITI implementation is important for PNG because:

- EITI provides a platform to increase transparency and accountability in the Extractive Industry (EI) and compliments other anti-corruption initiatives
- MSG provides a platform for all stakeholders to address EI issues collectively
- EITI can be used as a diagnostic tool to assess the EI regulatory and fiscal regime
- Provide platform for citizens to debate and discuss the management of EI based on factual data
- Establishment of CSO peak group (natural resource governance coalition) should improve participation of CSO in the EITI implementation
- Improves PNG’s investment profile (credit ratings, corruption index, etc.)

**Key Message 4**

EITI implementation in PNG faces various challenges including:

- Difficulties working in partnership with a multi stakeholders on a consistent basis
- Getting consistent political support
- Securing participation of all MSG members or required quorum
- Lack of capacity within the MSG on Extractive Industry issues
- Communication of EITI
- Engagement of CSOs and public at large, lack of capacity and knowledge about EI
- Legal & administrative issues
• Securing political ownership and commitment to implement EITI Report recommendations

**Key Message 5**
Despite its many challenges EITI implementation in PNG provides various opportunities.

• EITI provides a platform for better management of resource revenues
• PNG Government and resource owners to get the maximum benefits from resource exploitation
• Positive impact on PNG’s efforts to improve transparency and accountability which will have positive scores on corruption perception and improve investment environment

**Key Message 6**
EITI National Secretariat recognizes these areas as a way forward for EITI implementation in PNG

• Improved PNGEITI reports that fills reporting gaps and revenue leaks
• PNGEITI Legislation that ensures reporting entities to fully commit and comply to the EITI reporting Standard
• Subnational Payments and Transfers by sub provincial government entities.
• Beneficial Owners to be disclosed in the reports
• Project Contracts (partial disclosure)
• Open Data Policy that will ensure information is accessible to the public
3.4 CIMC and the PNG Resource Governance Coalition

Presented by Consultative Implementation and Monitoring Council

Key Message 1

CIMC is a quasi government organization established by Cabinet in 1998 as an independent facilitator of policy dialogue between government, private sector and civil society. It is chaired by the Minister for National Planning.

Key Message 2

PNG Resource Governance Council coordinates civil society participation in the EITI. Due to capacity constraints PNGRGC is housed as a program with CIMC. CIMC’s unique mandate enables it to assist PNG’s civil society through PNGRGC.
4.0 Lae Subnational capacity building workshop

Morobe Province in the most populous province in PNG with an estimated population of 674,800 and land mass of 33,700 square kilometers.

Lae is the capital of Morobe Province. The province has nine administrative districts. Bulolo District hosts two mines operating in the province.

The province has a long history with mining having hosted gold mining activities beginning with the Wau Gold fields in the 1920s.

Currently the major mine operating in the province is the Hidden Valley mine. Production at the mine commenced in 2009 and was initially a joint venture between Newcrest and Harmony Gold. In 2016 Harmony purchased Newcrest’s shares in the joint venture.

A smaller gold mine is operated at Eddie Creek by a joint venture between Niuminco and Mincor Resources.

Morobe’s major prospective mine is the giant Wafi-Golpu mine which will have its footprint in both the Bulolo and Huon Gulf Districts.

Participants for the subnational capacity building workshops in Lae were thus derived from both the Bulolo and Huon Gulf Districts.

A total of 32 government and civil society leaders attended the two Day workshop held on the 17th and 18th of October. 12 representatives were from government while 20 were from civil society. The Provincial Mines Officer Mr. Bomoteng Mai was also present. Of the 32 participants, 9 were women leaders from government and civil society.

4.1 Key messages

Key message 1
Mineral Resource Authority encouraged participants to understand the mining legal and regulatory framework in order to better represent their interests.

Key message 2
Mineral Resource Authority encouraged participants to follow due process when dealing with grievances and to liaise with the provincial mines office.

Key message 3
Mineral Resource Authority encouraged participants to strike better deals when negotiating mining MOAs.

Key message 4
EITI National Secretariat encouraged participants to engage in the EITI process and to access information via pngeiti.org.pg

**Key message 5**
CIMC encouraged civil society participants to organize themselves and to work with the PNG Resource Governance Coalition to strengthen civil society engagement in the EITI

### 4.2 Participant feedback

There was generally a positive feedback from participants. Most rated the workshop presentations as either excellent or very good.

For many, it was their first time to gain insights into PNG’s mining industry and its value chain from exploration to mine closure.

Whilst participants expressed satisfaction with the workshop, they also highlighted the need for follow-up workshops at the District and community level.

They also stressed the need for EITI communications materials/tools that can be used for awareness in the communities. Participants further suggested that EITI messages could be communicated at village meetings, church gatherings and youth camps if materials are made available.
Many expressed support for the EITI as a means of improving revenue management and service delivery.

4.3 Lessons learnt

Communications inefficiencies/deficiencies at the provincial level demands more investment in time to brief government officials

EITI awareness material can improve delivery of EITI messages to participants

Presence of stakeholders from relevant government agencies such as the Conservation Environmental Protection Authority (CEPA) and Treasury can improve delivery of the workshop.

4.4 Provincial Contact Person(s)

The workshop achieved is goal of sensitizing government and civil society leaders and establishing provincial focal points for EITI implementation.

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New Ireland is the largest island of the New Ireland province with a landmass of around 7,400 square kilometers. It has an estimated population of 120,000.

The province has two administrative districts: Kavieng and Namatanai.

There are two mines operating in the Province – Lihir and Simberi. The Lihir gold mine is owned by Newcrest and has an estimated mine life of over 30 years. Production at the mine began in 1997. The Simberi mine is owned by St Barbara and commenced operations in 2008. It has an estimated mine life of 20 years.

The workshop in Kavieng was conducted from the 8th to the 10th of November 2017. Day 1 was allocated to government officials and Days 2 and 3 were allocated to civil society leaders.

Of the 17 civil society leaders that participated, 8 were women leaders and 9 were male leaders. The strong representation by women reflects the fact that in New Ireland province, the women own the land. Indeed of the 9 women leaders present, 6 were from Lihir Island representing the mine landowners.

Of course women being landowners does not always translate into being at the decision making table. Thus for many of the Lihirian women, the workshop was an eye-opener into the machinations of the mining industry.
The workshop was opened by New Ireland Governor Sir Julius Chan, who used the platform as an opportunity to discuss revenue and power sharing between the central government and the provinces. Sir Julius Chan’s address was fully attended by all senior public servants of the New Ireland Provincial Government. In the end however, only 10 public servants remained for the workshop sessions. Amongst those who remained was the Director of Mining for the New Ireland Provincial Government, Mr. Brian Hosea and the Provincial Administrator.

5.1 Key messages

Key Message 1
MRA informed participants that the Lihir MOA determines benefit packages for landowners, provincial governments and districts in New Ireland.

Key Message 2
Following concerns raised by provincial government, MRA acknowledged the need for independent verification of gold production and export figures from Lihir and Simberi.

Key Message 3
EITI National Secretariat highlighted the need to landowners to use the EITI Reports and MOAs to distinguish mandatory and voluntary social expenditure by companies.

Key Message 4
EITI National Secretariat expressed its willingness to work with the New Ireland Provincial Education Division to pilot EITI educational materials for schools.

Key Message 5
CIMC encouraged civil society leaders to work constructively with mining operators to maximize opportunities for their people.

Key Message 6
CIMC encouraged civil society leaders to engage with PNG Resource Governance Coalition to strengthen civil society participation in the EITI.

5.2 Participant feedback

Majority of participants expressed satisfaction with the delivery of the workshop. Some however felt that they needed more time.

New Ireland Provincial government officials expressed their keenness to engage further with the EITI National Secretariat and MRA.

Lihir landowners requested that a similar workshop be conducted on Lihir Island for the benefit of community leaders.
5.3 Lessons learnt

Even in mining communities like Lihir where the mine has been in operation for over two decades, communities lack an understanding of the basic legal and regulatory framework of mining.

Sub-national governments see the value of the EITI in terms of how they can use EITI data to calculate benefits but can be quite resistant to disclosing how much they’ve received and where they spent it.

Participants from areas that do not have operating mines may benefit from such workshops especially if their traditional land is under exploration and has mineral potential.

5.4 Provincial Contact Person(s)

The workshop achieved is goal of sensitizing government and civil society leaders and establishing provincial focal points for EITI implementation.

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6. Wewak Subnational capacity building workshop

East Sepik Province has a landmass of around 43 400 square kilometers and a population of around 433 500 people. The province has six administrative districts and has Wewak town as its capital.

Although the Province doesn’t have an existing mining or oil and gas operation, it stands to be impacted by the proposed Frieda River Copper-Gold project. The Frieda River mineralization is estimated to contain 20 millions tonnes of copper and 13 million ounces of gold.

The project is owned by Highlands Pacific (20%) and PanAust (80%).

At full production, it is estimated to process 40 million tonnes of ore per annum with an estimated output of 175,000 tonnes of copper and 250,000 ounces of gold per annum.

Whilst the project presents an economic opportunity for the government and people of East Sepik, the huge volumes of ore being processed pose an environmental risk to the Sepik River ecosystem.

It is within this context that the EITI workshop was held in Wewak from the 21st to the 23rd of November 2017.

Day 1 of the workshop was allocated to government officials and was well attended by 6 divisional heads including the Deputy Administrator Mrs. Elizabeth Kaprangi and a delegate from the Governor’s Office, Mr. Jeffrey Wangi. Mrs. Kaprangi opened the workshop on behalf of the East Sepik provincial government and people.

Days 2 and 3 were allocated to civil society leaders. The sessions were attended by 20 civil society leaders from across the Sepik. Prominent civil society leaders included Mrs. Mary Sundrawu, President of East Sepik Budget Tracking Voice, Mr. Augustine Mondu, Executive Director of the Turubu Eco-Forestry Forum and Mr. Justin Nambu, Chairman of the anti-Frieda Mine pressure group – Sepik Free The River and Our Life.

6.1 Key messages

Key Message 1
MRA encouraged the East Sepik Provincial Administration to build its capacity in terms of understanding the legal and economic parameters of the Frieda River project.

Key Message 2
MRA encouraged the East Sepik provincial administration to continue to liaise with MRA’s project coordinator for the Frieda Mine project in order to avoid being misinformed about the project.

Key Message 3
MRA provided a brief overview of the mining legal and regulatory framework and the value chain and highlighted the fact that it doesn’t make the rules but implements the will of the people as expressed through parliament.

Key Message 4
MRA encourage civil society leaders to inform themselves about the mining legal and regulatory framework and to disseminate their knowledge to their constituencies.

Key Message 5
MRA encouraged civil society leaders to engage in constructive dialogue with their political leaders regarding the Frieda Mine project.

Key Message 6
EITI National Secretariat highlighted the fact that EITI reports contain useful contextual information that can be used in the Frieda River discourse.

Key Message 7
EITI National Secretariat encouraged civil society leaders to raise their concerns via the PNG Resource Governance Coalition, to be presented to the MSG.

Key Message 8
Head of the EITI National Secretariat proposed that subnational implementation of the EITI be piloted in East Sepik province.

Key Message 9
CIMC highlighted the fact that it is in a unique position to engage with government, civil society and private sector. It has leveraged this to assist civil society in meaningfully engaging in the EITI.

Key Message 10
CIMC encouraged civil society leaders to organize themselves and engage in the EITI process via the PNG Resource Governance Coalition.
6.2 Participant feedback

East Sepik Provincial Administration encouraged CIMC/PNGRGC to engage more at the subnational level.

East Sepik Provincial administration thanked MRA and the EITI National Secretariat for providing invaluable insights into PNG’s mining industry.

East Sepik Provincial administration expressed the need for further training of provincial government officials.

Civil Society leaders drafted and signed resolutions that were presented to the Head of the EITI National Secretariat. In the document they called the EITI to be legislated. They also resolved to work closely with the EITI National Secretariat and PNGRGC to further the work of the EITI in the province.
6.3 Lessons learnt

Weak internal communications within subnational government has the potential to undermine the work of the EITI. Establishing good rapport with significant actors is key to success.

Civil society interest groups are diverse but can be rallied around common goals.

Both government and civil society leaders tend to be informed more by opinion leaders than by facts. Their outlook therefore tends to be more opinionated than factual.

6.4 Provincial Contact Person (s)

The workshop achieved its goal of sensitizing government and civil society leaders and establishing provincial focal points for EITI implementation.

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7. Discussion: Benchmarking civil society engagement in PNG extractive sector

Civil society engagement in PNG’s resource sector has been shaped by the experiences of Bougainville and Ok Tedi environmental disasters. Both industrial mining disasters have framed relations between communities and activists on one hand and the government and companies on the other.

The campaign against environmental pollution by the Ok Tedi mine has been described by Stuart Kirch in the context of indigenous movements that deploy counter-globalization tactics (Kirch, 2007). Counter-globalization movements as Kirch discusses, make use of the architecture of globalization to link local movements with international advocacy groups.

Similar approaches have been utilized by organizations in PNG such as ACT Now, Bismarck Ramu Group, and the Akali Tange Association in their respective campaigns.

Act Now is a community advocacy group that utilizes online and direct community engagement to highlight issues affecting PNG. It currently has a “No seabed mining campaign”.

Bismarck Ramu Group famously assisted communities in the Rai Coast to seek a permanent injunction against submarine tailings placement by the Ramu Nickel Mine.

The Akali Tange Association has been working closely with Mining Watch Canada to hold Barrick accountable for alleged human rights violations in Porgera. The activities of these counter-globalization movements contrast to those of civil society organizations such as Transparency International PNG (Inc), that aim to improve governance in PNG’s resource sector in order to address many of the issues faced. TIPNG’s most recent publication examined risks of corruption in licensing processes of PNG’s extractive sector.

TIPNG was the main civil society force behind PNG’s adoption of the Extractive Industries Transparency Initiative in PNG.

The approaches civil society in PNG takes to engage in the EITI process is thus influenced by these contrasting experiences.

PNG Resource Governance Coalition (PNGRGC), which is PNG’s main civil society coordination desk on EITI matters, has followed the approach of Bantay Kita, the Philippines civil society coalition on EITI. The Bantay Kita approach as expressed by its former National Coordinator Dr Cielo Magno is two-fold: “We continue to respect and support community and local government opposition to mining. But with EITI, we also express our willingness to work with the government and business sector to make the government and the extractive industry more transparent and accountable.”
PNGRGC is also structured similarly to Bantay Kita with a Board, Secretariat and Coalition partners. And just as Bantay Kita engages with anti-mining groups that do not explicitly support the EITI, PNGRGC has engaged with anti-mining groups such as Bismarck Ramu Group, Jubilee Australia and the Pacific Network Against Globalization. Such engagements are based on mutual respect and a broader recognition of solidarity around issues that are of importance to civil society.

PNGRGC however is more uniquely placed due to its institutional relationships with the Consultative Implementation and Monitoring Council (CIMC) and the Institute of National Affairs (INA).

CIMC is a quasi-government institution that was created by cabinet for the purpose of coordinating policy dialogue between government, private sector and civil society in PNG. CIMC is managed by INA, which is a privately funded independent policy think-tank. CIMC houses PNGRGC.

Within the context of EITI implementation, PNGRGC’s unique place within CIMC and INA has placed in with the opportunity to be both an advocate but also a potentially the role of an “honest broker” between civil society, government and industry.

In 2015 and 2016, PNGRGC conducted four regional EITI roadshows that brought together government, civil society and industry representatives to discuss natural resource governance in PNG. In 2017, subnational capacity building workshops were conducted by PNGRGC and well attended by local government and civil society leaders.

Compared to its counterparts in the Philippines and Indonesia, PNGRGC faces constraints in terms of its institutional capacity. PNGRGC doesn’t have the talent and financial resources of its neighbours. These capacity constraints pose a risk in terms of how PNGRGC defines itself and manages external influences.
8. Recommendations

A reflection workshop was held on the 11th of December 2017 where the following recommendations were agreed upon.

7.1 Based on the experiences of the three workshops it is recommended that a training of trainers (TOT) workshop manual be developed to equip civil society, government and the media with knowledge about:
  - Payment processes
  - MRA processes
  - Industry value chain
  - Legal and regulatory framework
  - Contents of EITI Reports and how to interpret data

7.2 As requested by participants, follow-up workshops are recommended to provide opportunity to further explain and explore the industry value chain and help subnational leaders broaden their understanding of the extractive sector.

7.3 Future workshops should include observers from mining and oil and gas companies as well as representatives from relevant state entities such as Internal Revenue Commission, Department of Treasury and Conservation Environment Protection Authority (CEPA), etc.... This is to ensure that issues raised by workshop participants are addressed by relevant stakeholders.

7.4 It is recommended that educational materials be developed for schools and as resources for workshop participants

7.5 It is recommended that there be greater emphasis on supporting women so that they are empowered to participate meaningfully in discussions around natural resource management

7.6 It is recommended that support be provided for provincial focal points established during the workshops

7.7 The workshops demonstrated the ability of CIMC and PNG Resource Governance Coalition to mobilize and engage government and civil society leaders and bring them to the discussion table. It is therefore recommended that the EITI National Secretariat provide further support for CIMC/PNGRGC to further build capacity of government and civil society at the subnational level.

7.8 It is recommended that civil society lobby for EITI Principles to be embedded in all MOAs related to the extractive industries.
## 8. Proposed Activities going forward

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<td><strong>Extractive Industries Value Chain workshops at Districts, LLGs and Wards</strong></td>
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<td>EITI Training workshop for journalists</td>
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References

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