

THIRD DAY

Wednesday 4 April 2018

DRAFT HANSARD

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THIRD DAY

Wednesday 4 April 2018

The Acting Speaker (**Mr Jeffery Koma**) took the chair at 10 a.m.

There being no quorum present, Mr Acting Speaker stated that he would resume the Chair after the ringing of the bells.

Sitting suspended.

The Acting Speaker, again took the Chair at 10.45 a.m., and invited the Member for Rabaul, **Dr Allan Marat**, to say Prayers:

‘Father, we come before you this morning just as we are. We want to say thank you for life, for health, for strength and for fellowship with you. We want say thank you once again for the second day of the session sitting, discussing issues of national interest, your people of this country whom you have called to be your people.

Father, this morning we want to commit this session into your hands. We pray for the Deputy Speaker who is chairing this meeting, we pray also for the Prime Minister, Deputy Prime Minister and the Ministers of Cabinet.

We pray for the Opposition leader, Deputy Opposition Leader, all members of the Opposition and the Government benches. We pray for your enlightenment. We pray that your Spirit will enlighten us this morning and the days ahead as we continue to sit to represent the interest of your people on the floor of this noble House.

Father, we remember the people who are suffering at the moment because of the earthquake especially in the Hela and Southern Highlands, Enga and Western province and other provinces in this country.

We pray for the families who have lost love ones and we feel with them and we want to pray for your comfort to be injected into their hearts so that your comfort and peace will be with them.

We pray that you will cause our hearts to move toward making the right choices and decisions especially in relation to our economy, revenue that has been collected and even contributions from donors. Father help us to use these wisely on those who need them most.

Father, this is our prayer. Bless us today as we continue now with the session. We offer this prayer to you Yaweh, our Father, in and through the name of Jesua who is our saviour our Lord, our soon coming King and every Member of this Parliament agree together and say Amen’.

QUESTIONS

Mr ALLAN BIRD – Mr Acting Speaker, before I direct my questions to the Prime Minister, may I on behalf of the people of the greater Sepik Region offer my sincere condolences to all our people in Southern Highlands, Hela, Enga, Western Province and others who have been severely affected by the earthquake. And also not forgetting our neighbours in Telefomin who have also been affected by this earthquake as well.

Mr Acting Speaker, I direct my question to the Prime Minister and I want the Minister for Public Service to take note.

Before I ask my question, Mr Acting Speaker, I want to place on record that with this particular issue we have been dealing with letters and telephone calls with the Minister for Public Service and his department since August 2017, and since then a settlement has not been reached and on behalf of the people of East Sepik, who would be very interested to know the answer, I am therefore asking the question now in Parliament for the Prime Minister, in his capacity as the Chairman of the National Executive Council.

Mr Acting Speaker, two weeks after Parliament was formed in August of 2017, the East Sepik Provincial Government placed an advertisement in the daily newspaper to appoint a permanent provincial administrator. Up until that time we have been without a provincial administrator for period of five years.

In the following months, a selection was made based on the recommendations from the Department of Personnel Management. The then former Secretary, Mr John Kali, made this comment and I quote, *'that this was the first time in my entire career as a public servant to see that a provincial government had actually followed the due process required by law'*.

Mr Acting Speaker, since then after following due process the East Sepik Provincial Government through its Provincial Executive Council made a decision in consultation with all the leaders of the province and it was handed over to the DPM for appointment.

Mr Acting Speaker, it has gone through NEC three times and we are now almost halfway through the year.

Other provinces who came after us in their selection processes have already received permanents of provincial administrator whilst the people of East Sepik continue to wait in vain.

I was informed in February 2018 that in NEC, NG41, the National Executive Council in its wisdom decided to change the rules of appointment a third time. It is becoming apparent,

Mr Acting Speaker, that the NEC is changing the rules regularly in order to frustrate and prevent the appointment of a permanent Provincial Administrator for East Sepik.

When I was informed by the Department of Personnel Management, I said, well, what are we supposed to do now because the decision in NG41 states that no one in the shortlist to be appointed to that particular province must be from that province; they must be from somewhere else. Two weeks ago, the State Solicitor advised that the decision of the NEC is unconstitutional.

East Sepik – Appoint Provincial Administrator

(1) Mr Prime Minister, is there a reason why the East Sepik Provincial Government is being singled out to be treated in this manner whilst other provinces are given preferential treatment in the selection of their provincial administrator?

(2) What is the critical importance to the running of the country that we must be prevented from having our provincial administrator appointed?

There are problems going on all over the country. Mr Acting Speaker, in East Sepik we quietly go about dealing with our own problems without bothering anyone else.

03/03

We cannot fully discharge our duties to our people without the appointment of a permanent provincial administrator.

(3) Finally, if everything is in order, could the honourable Prime Minister, in his capacity as the Chairman of the NEC, inform this House as to when the people of East Sepik can expect to have this permanent appointment made?

Mr PETER O'NEILL – Mr Acting Speaker, let me state clearly that there is no such thing as singling out East Sepik whatsoever, in fact, Mr Acting Speaker, we work with all the provincial governments in resolving their administrative issues

Mr Acting Speaker, I have had discussions with the Governor in trying to resolve this issue about the appointment of a permanent administrator for East Sepik.

Mr Acting Speaker, when the submission came to NEC it was brought to the attention of NEC that the gentleman that was recommended was a permanent resident or alleged to be a citizen of a foreign country. This is why we asked for the matter to be referred back to the Department to confirm.

Mr Allan Bird – Point of Order! Mr Acting Speaker, I am ashamed of this response. Only recently a white woman who is a foreigner was appointed to head a state agency. There are foreigners appointed in many capacities.

Mr Pila Ningi – Point of Order!

Mr ACTING SPEAKER – Minister, there is a Point of Order being entertained here. The Governor is speaking, so please resume your seat.

Mr Allan Bird – If it is acceptable to appoint foreigners to work in other capacities and yet we recommended a Papua New Guinean citizen for that position, then why has this recommendation been disregarded with excuses?

Mr PETER O’NEILL – Mr Acting Speaker, if the Governor gives me time to explain why I made that statement, he would appreciate where I am coming from.

Mr Acting Speaker, in reference to a white woman being appointed to an organisation, a private company is employing that particular woman. It is going through the non-citizens appointment process. We are discussing a department, a government agency, public service position, which requires only citizens to apply. If it is brought to the attention of Cabinet that this particular person is a foreign citizen or a non-citizen and is a permanent resident to a different country, we need to process that according to the rules of the *Public Service Management Act*. That is why the recommendation was rejected, and not because we don’t want anybody to be permanently appointed in East Sepik.

Mr Acting Speaker, the good Governor and the provincial government can appoint anybody from East Sepik as they please to be acting provincial administrator, because the acting provincial administrator has full powers like the permanent appointee to provincial administrator’s position.

Mr Acting Speaker, I will get the public service personnel department to process this properly if it is found that this gentleman is not a permanent resident or a citizen of a foreign country, he will be duly appointed.

We have no issues about the person recommended. Mr Acting Speaker, I hold the gentleman in high esteem and I think he is one of Papua New Guinea’s most qualified person to hold such position. But the issue is about his residency and his foreign citizenship has got to be resolved. Thank you Mr Acting Speaker.

04/03

Tax Benefits – Morobe Province

Mr GINSON SAONU – My question is directed to the Prime Minister.

Can the Prime Minister inform the Parliament and the people of Morobe if our province is entitled to benefit from payments from corporate entities that utilise the Lae Wharf, Highlands Highway segments in the province and Nadzab Airport for the import and export of goods and services?

Mr Acting Speaker, to be specific, does Morobe province have the right to benefit from tax schemes, SSG, fuel levy and others?

Honourable Prime Minister, the corporate entities I am referring to are as such; Kainantu Mine, Ramu Agro Industries, Oil Search, Porgera Mine, PNG LNG Project, Ramu Nickel Mine, Air Niugini and PNG Ports.

Mr PETER O’NEILL – Mr Acting Speaker, as I understand, most of these companies do pay GST. It is collected and paid back to Morobe Provincial Government if they are doing business in their province.

In terms of tax credit schemes and SSGs, it is my understanding that arrangements are made around the project areas, host provinces and host districts. It has been proposed by the project developers around those areas to fulfil some of the services that those provinces and districts lack.

Mr Acting Speaker, currently, the tax credit arrangement is under review largely because we feel that some of the projects that are being proposed and delivered under the tax credit scheme are not necessarily in line with government priority. They are not delivering the services according to the expectations of our people and community. Under that review we will consider those issues that the Governor has brought up.

Religious sects

Mr RENBO PAITA – Before I ask my questions, I would like to join colleague Members of Parliament in passing my deepest condolences to the people of the affected provinces. On behalf of my people of Finschhafen, we share in the loss that has happened and we pass our deepest condolences to the various provinces that have been affected by the earthquake.

One lesson that I have learned from the outcome of this earthquake is that although we have differences in our personalities, politics and policies when faced by such issues, it was a

great lesson for me to see that the Parliament came together. It was one Parliament standing together to support the initiatives that were undertaken to support our people. This is something that as a young leader I was very proud to see. I commend the Members of Parliament for the support that we all put together.

Mr Acting Speaker, I would like to direct my question to the Minister for Religion, Youth and Community Development. As we appreciate that Papua New Guinea is officially a Christian country and so evident by the Bible placed in Parliament and by the faiths that we have. I want to thank the Government for supporting major initiatives that have been undertaken especially to do with state and church partnership programs that have been initiated by the Government.

05/03

I thank the different Christian denominations that have been established in this country for their contribution. As far as I know, no other faith has tremendously contributed supporting the development aspirations of our country.

So, I would like to say thank you for this. On that note I think the Christian churches that exist in this country to continue to work hand in hand with the government and other development partners to help our country.

Before I ask these question, I want to put on record that my questions are not discriminatory on other faith that exist in our country but it is a major concern that is ongoing in our country and I know most of you will appreciate the direction of my question.

One issue that is happening in this country is that although the *Constitution* grants freedom of religion in our country, in the last five or six years we have seen a major surge in cult groups organisations in this country. For example, in my district a cult group has evolved who believe in four gods in the Christian world. So, this type of organisations are misleading our people. My questions are:

(1) Do we have a committee or some type of policy for such religious groups to go through a vetting process?

(2) What will happen if we have all sorts of cult groups trying to register in our country and are protected by the law?

(3) Is there any policy in place to screen these religions? If some have already been setup, it is only just a matter of time before they go into the next stage which is incorporating their faith.

Thank you, Mr Acting Speaker.

Mr SOROIEOE – Thank you, Mr Acting Speaker, and I thank the Honourable Member for Finschhafen for this very important questions.

The issue of religion in this country is already been designed in a way that the church and religious issues are raised in varies legislations. Religion is a very ambiguous term because it doesn't limit but it also extend to areas that we define as what is religion to all of us.

When we look at it, it also goes back to our own cultural back drop so we have our own religions in the traditional societies in Papua New Guinea so I guess the issue about religion was designed in that perspective.

But having said that, it does create problems of how we define or limit religion in the context of Papua New Guinea as rightly pointed by the learned Member for Finschhafen. These are some of the question we are tackling with as individuals when we look at mushroom religion or cult groups as we term it in this country.

These are good question because we need to start looking at how do we define religion in the context of Papua New Guinea?

06/03

Do we limit because our Christian faith dictate us to do? What about our own traditional belief system in our own society where does that fit in? It's a big question

Coming back to the issue of coordination the Member has raised, obviously we have Churches Council of Papua New Guinea who advises my ministry on which direction or how do we define when we look at religion in this country and so far as church partnership program issue is concern. Because this partnership program also entails support from Government to churches in Papua New Guinea.

This program has already been in operation since last year whereby Government gives financial assistance to churches in Papua New Guinea where their responsibilities are concern in relation to health and education, social issues such as gender base violence, disabilities are concern and so forth. So the Government has been helping churches since last year with assistance so that they can help their various activities in addressing very similar areas Government is concern about.

Thank you, Member for Finschhafen, it's something that is important that we need to take on board and address how we limit religion in a bigger context.

I can come back the next time and address the House as that's something we are looking at in addressing the question of religion in this country. Thank you.

Improve Power Supply – Eastern Highlands

Mr PETER NUMU- Thank you Mr acting Speaker. My question without notice goes to the Minister for Public Enterprise in regard to the Yonki Dam power supply.

Firstly, I want everyone to know that Eastern Highlands produces power and we power all the Provincial Governments from Goroka to Simbu, Jiwaka, Western Highlands and going that way. But it's sad to see that Eastern Highlands is facing constant power blackout and also people living around the dam area are still sleeping in the dark.

I don't know whether PNG Power has a corporate social responsibility, a duty towards the community and the people around the resource area.

(1) I noticed that previous Government have done something but since this government came in with some vibrant development steps, will there be any programs to address this ongoing issue concerning my people at Eastern Highlands Province or not?.

(2) Is there any privilege or special preference for the community and the people of Eastern Highlands and the Province as a whole regarding power supply?

I'd like to thank this Government for the Ramu 2 Project as this is the way forward. Thank you very much for the 30 per cent Equity Share as promised to the resource owners or the Provincial Government as the first of its kind. I'd like to thank this Government for that arrangement.

(3) When will the Ramu 2 Project commence?

07/03

Mr WILLIAM DUMA – Mr Acting Speaker, I thank the Governor of Eastern Highlands Province for his questions.

Mr Acting Speaker, in relation to the issue of power generated from the Yonki Hydro project. I would like to state here that the Yonki Hydro project was designed and installed in the early 1970s. It was designed specifically to supply power for a population of less than a million.

But unfortunately, due to the increased population as well as the failure on the government, management and board of this company in the early stages of the project, we had problem with the ability of the hydro project to be able to provide power to Morobe and all of the highlands provinces.

Mr Acting Speaker, we are encountering continuous power blackouts on a daily basis in relation to the supply of powers in all the areas up the highlands regions.

Firstly, the transmission lines that are connected to power poles are all aging and in addition to that the capacity of the generators that are producing power are also old. There has been numerous plans by PNG Power to actually rehabilitate the very important infrastructure by introducing new turbines but unfortunately, due to lack of finance it has not been funded for.

But now the Prime Minister has actually given specific instructions to make this project a priority one. We have assembled a team that will look into it seriously to put aside some money in the annual budget for PNG Power Limited to rehabilitate the entire Yonki Hydro Power System. That includes; the replacement of the transmitter lines and increase capacity and rehabilitate the turbines that are being used.

As we speak, Mr Acting Speaker, the turbines are actually producing below capacity and that is a problem that we are trying to remedy. With that, I want to inform all the uses up in the highlands region to have patience and we will try to remedy the situation.

Mr Acting Speaker, in relation to the issue of our people in the neighbouring areas who are not able to access power, unfortunately, there was a situation where no one actually thought about giving power on a concessional rate to the landowners and that is something we are trying to remedy and we will include that when we develop the new Ramu 2 Project.

I can assure the Governor that when we develop the Ramu 2 Project we will look at reviewing the existing arrangement and try our best to give power even at reduced rate if it's commercially possible to our landowners who live along that area.

Mr Acting Speaker, moving on to the issue of Ramu 2 Project, I can confirm to the Governor that Cabinet has on two occasions approved this project and the O'Neill-Abel Government remains committed to developing the Ramu 2 Project.

But the project is actually funded by a consortium of Chinese Investors, there are number of issues that need to be resolved; the issue of government having to look at the possibility of giving a State guarantee and of course the 30 per cent equity arrangement that is being proposed. And it's whether we give the landowners and the provincial governments' shares through preferences or ordinary shares and these are commercial arrangement that are being worked on.

Unfortunately, we do not have the needed finance to be able to develop that project and so we are entering into this arrangement with a Chinese consortium. When we look at how we distribute equity, it will include our provincial government, the landowners and the affected district development authorities.

So I want to assure the Governor that although this is a complex financial negotiation, at the end of the day we will try our best to reach an agreement that will prove to be beneficial to this Government without affecting the National Budget constraints as well as Provincial Governments, Morobe Provincial Government, our landowners and the District Development Authority.

Finally, it's a project that will take time but this Government remains committed to delivering what it can within the constraints that it raises now, thankyou Mr Acting Speaker.

08/03

Probe into Company Certification

Mr BRYAN KRAMER – Thank you, Mr Acting Speaker.

My question is directed to the Minister for Trade Commerce and Industry. Yesterday, I raised a point in Parliament in relation to a company and its IPA certification and since that question was put on the Floor, I understand the media had wrote an article, published a front-page story on that issue where the NCD Governor Powes Parkop confirmed that the company was in fact certified . He in fact quite unusually had the certification number which he provided.

At 8 o'clock this morning after I received information that the company was not certified, I went to IPA to establish how it is that I was not informed on that issue. After sitting with an officer who went through the records to confirm that the company was in fact certified, it was certified on October 30, 2015 but after reviewing the records there was a number of irregularities that have come forth. After obtaining records in relation to the certification of this company, I found out that a requirement of certification requires a deposit of a K100 000 before certification is issued. Yet this company had received a K100 000 before it was certified and the payment of this K100 000 to meet this certification provided in documentations two BSP cheques from NCDC. The principle shareholder of this company also named the good Governor as a referee,

Can the Minister make inquiries into this company because the advice I received from the officer at IPA is that this company has violated significant amount of conditions in relation to its certification, that it has been trading and operating before it was even issued a certificate?

Mr WERA MORI – Thank you, Mr Acting Speaker. I thank the honourable Member for Madang for his questions regarding a company that was registered in 2016 prior to my time.

I am sorry, I was not in the Chamber yesterday because I was back in the electorate. That is what the people elected me to do so.

(Laughter-in-the-Chamber)

Mr WERA MORI – Let me put it this way. I take note of the Member's question and I will enquire with my department and the Investment Promotion Authority and I will get to the bottom of this and provide a detailed statement in Parliament. Thank you.

Council President Elections

Mr PETER IPATAS – Thank you, Mr Acting Speaker. Let me also join the other leaders of this Parliament in expressing our condolences to those people who have lost their lives and are left traumatised because of the earthquake, representing my people of Enga. Although we have been affected as well, I want to state that we have not been devastated as much as the other provinces so our sympathies go out to these provinces. At the same time, I also want to mention that traditionally as we Papua New Guineans we express our way of sorrow by way of contribution and I want to express that the Porgera landowners and the Enga people have also made contributions to the other provinces through the Prime Minister in trying to express our sincere sympathy to our people.

My question is to the Minister for Provincial Affairs, the Prime Minister has already made an announcement that the Council President Elections would be held inside the Assembly by the electorate councillors but I think if my memory is correct, we have not made the legislative changes to accommodate this as the Elections are to be in June.

Can the Minister confirm this so that the Electoral Commission at the last minute does not tell us that the law provides for the Council Presidents to be elected by the people and not the councillors?

09/03

Mr KEVIN ISIFU – Thank you for your question regarding the elections of council president. I would like to inform the Parliament and for the benefit of the people that we have deliberated on these issues. There is a NEC decision that is in place as I speak. The Government has approved to do away with direct elections so that the people will vote their respective presidents through the councillors electing the president.

Mr Acting Speaker, as soon as the necessary legislations that will enable this decision are effective then I will issue a statement to the Parliament for the benefit of our people.

However, because of so many governors who have vested interest, some have written to me asking if they can conduct their elections separately especially with people electing their presidents.

Mr John Simon – Point of Order! Mr Acting Speaker, this contradicts what the Prime Minister said in the last Sitting. He said that he will look into it and the provincial governments decide for themselves accordingly.

Mr ACTING SPEAKER – Your point of order is out of order. Let the Minister finish his response.

Mr KEVIN ISIFU – I think I will respond in Pidgin. I am trying to clarify this issue for the sake of the Governor of Enga.

There are some governors who want a separate way of electing their presidents. These are governors who have written to me already because their provinces are different from others. They have their own ways of looking after their people so that is why they want change in the way we elect our council presidents. We must respect their opinions as respected leaders of their own province. They know their own provinces, therefore, they trust in whichever system they believe that will work specifically for their province. This is why the Prime Minister made this remark in the last meeting of Parliament.

We need to sit down and thoroughly go through everything so we can come up with what is best for our people. Our LLG Elections are also important –

Mr Joseph Yopyyopy – Point of Order! We do have the Provincial and Local Government Act in place. There is no one province that has its own laws. I think it is better that we all follow one law.

10/03

But, I also see that you are confusing the system so we need to tell the truth whether the people will vote and we will follow the law that is in place or we will change the law.

Mr KEVIN ISIFU – Mr Acting Speaker, I am trying to help you all to make sure that –

(Laughter-in- the-Chambers)

Mr KEVIN ISIFU – I will explain it properly because a lot of you, if you use the wrong system it can affect your election results to come back that is why we are trying to make a better decision.

So, I am aware of all the Governors interest. You all want to go to the presidents and come back?

(Laughter in the Chamber)

Mr KEVIN ISIFU – For the Open Members too, I know your interests as the minister responsible. But the answer to the question is –

Mr Bryan Kramer – Point of Order! Thank you, Mr Acting Speaker, to assist the Minister in relation to that issue we have the *Organic Law on National and Local-Level Government Elections* and that is the one law that deals with both the national and local-level governments.

Now, the Law states for your benefit, in relation to national government elections or in relation to local level government elections, it will be the Governor General that makes the decision in relation to whether the presidents are elected directly or by the local-level government on the advice of the electoral commissioner.

So, if NEC propose changes by the Prime Minister which he made comments on the Floor then he should make those recommendations to the Governor-General who then makes the final decision. Thank you, Mr Acting Speaker.

Mr KEVIN ISIFU – Thank you, Mr Acting Speaker and the Member for Madang, Honourable Bryan Kramer. I am not sure whether your point of order is in order or out of order but I am still trying to get to the basis of explaining for the benefit of the House and for the good Governor of Enga.

We understand that everything works by law and we will not introduce a system that is not based on the law so we are going through the stages and processes. As soon as we get the views of the Governors who are very important people in their own provinces, the provinces are the small economy that contribute to the bigger economies and we have to respect the views.

So, with that regard we are slowly collecting their views then we will go through the process of going to NEC and to the Governor-General.

In due course as soon as we get the views from all the governors we will make sure that we have the right laws to conduct our coming elections and then we will make an official announcement to tell the country that this is the way to go forward.

Thank you, Mr Acting Speaker.

SUSPENSION OF STANDING ORDERS – EXTENDED TIME FOR QUESTIONS

Motion (by **Mr Peter Isoaimo**) agreed to –

That so much of the *Standing Order* be suspended as would prevent time for questions without notice this day being extended by 20 minutes

Explain delay on Laloki Road Construction

Mr PETER ISOIAMO – Thank you, Mr Acting Speaker. My question maybe boring to this House but it is an issue affecting my people.

11/03

I have asked this question there or four times before with follow up questions last session by Honourable Governor Chris Haiveta and the good Member for Rigo in relation to the Hiritano road condition, especially the 48 kilometre portion from Laloki Bridge to Veimauri Bridge.

On the 11 November last year, there was a ground breaking ceremony for the, Dekenai Construction, appointed by the World Bank on performance base to re-seal the Hiritano Highway from Vanapa Bridge to Bereina. We also spoke to the representatives from the World Bank and the Secretary for Works on that day that the real need is the portion between Laloki to Veimauri. People concerned said they will look into as it is the worst portion of the highway.

Many of us uses this road often including yourself who runs often to see Nipas up at Veimauri and many of you sitting on that side are my tambus so you are also regular users of this road.

My question is; there is little to no work done since the commissioning on 11 November last year, so what is the hold up to the construction work on this portion of the Hiritano Highway which is a national highway?

From sources, we learnt that the Government through Works Department has not complied with some of the requirements, especially environmental impact requirements which is the reason why World Bank is not releasing funds for the work on this particular road.

As it is, the road continues to wear and tear on road users like myself and every one of us, it's beyond comprehension because the road has been in that stage for more than ten years now. Thank you, Mr acting Speaker.

Mr MICHAEL NALI- Thank you, Mr Acting Speaker. I thank the Member for the good questions asked. Yes, it's true the contract has already been awarded with the ground breaking ceremony but the work has not started. What the Member said is exactly true, due to some international environmental issue, the work has been delayed. As soon as this environmental issue is cleared, road construction will start.

For everyone's benefit it's an old road and is funded under the World Bank under their terms and conditions which are different. It's not funded under the Government of PNG so you will appreciate the fact that you and I do not have a choice but to comply.

It's a compliance issue so as soon as this is complied with, the work will begin. The issue is about environment. I will get back to you this week to tell you exactly where we are so that you can at least inform our people.

Mr POWES PARKOP- I seek leave to make a Personal Explanation.

Mr ACTING SPEAKER – Leave granted.

Mr POWES PARKOP- Mr Acting Speaker, yesterday and today as well, the Member for Madang has seen fit to use the privilege of Parliament to make a lie and today extended that lie again. The extent to which he has gone, not only here on the Floor of Parliament but also on the social media defaming, disparaging and repeating lies, it's unbelievable which I can't comprehend on how a Member of Parliament can go to that extend.

12/03

But anyway be that as it may, Mr Acting Speaker, my explanation on the question directed to the Minister for Finance and Rural Development and now to the Minister for Commerce and Industry was specifically meant for me and National Capital District Commission.

Therefore, I take this opportunity to present my personal explanation.

Mr Acting Speaker, had the Member for Madang read the *Standing Order 140* it clearly allows him to ask me a direct question. Yet he claims to be a lawyer, analyst, economist and cetera on *Facebook* but sadly he did not use that clause in the *Standing Order* to ask a direct question to me.

Yesterday, I was prepared to answer the questions that he wanted to ask that was published in the social media. But today, I want to get straight to those pertinent questions that he should have asked me.

But before I answer those questions, Mr Acting Speaker and Members of Parliament, I want to assure everyone that we didn't pay for that Certification. How can we pay for this Certification? We would be stupid to get public funds to pay for a private certification. And Minister for Commerce and Industry, you had given the undertaking so you can go ahead and check it but I want to assure you we didn't pay for it.

The pertinent questions that arises in this matter is this; was there a tender process in this contract? Absolutely, Mr Acting Speaker, the documents are with the National Capital District Commission and it was published in the newspaper and it went through due processes.

Second question; did I declare my personal interest? of course, Mr Acting Speaker, if the Member for Madang must find out rather than rushing to judgement like he did that couple of times to the Prime Minister, Minister for Finance and Rural Development, Member for Bulolo and Minister for Communications and Information Technology. If he cares to find out then he will find out that we went through due processes.

Mr Bryan Krammer – Point of Order!

(Uproar-in-the-Chamber)

Mr POWES PARKOP – I am talking, you shut up and sit down! You had your turn yesterday and today. Sit down!

Mr ACTING SPEAKER – Good Member for Madang, this is a personal explanation, please resume your seat. Governor, complete your personal explanation.

Mr POWES PARKOP – Thank you, Mr Acting Speaker. I am a co-founder of this program and I started the walk program in 2014, and I paid for the cost from my own money. Even I paid for all the volunteers, drivers and management team.

Unfortunately, the program expanded and the cost has increased and so I approached the National Capital District Commission and have it registered with IPA for a sum of K300 000. And so I have declared my interest and the contract was approved by our board and managed by the commission and records are kept in the file. Not only that, monthly acquittals were provided both in terms of how money was spent and the outcome of the program.

It subjected to high standard because I participated in the program and as I mentioned I am a co-founder of the program. I made sure the managers deliver to high standards. In addition to that you won't get acquittals from other projects or engagement in NCDC.

If Member for Madang or other political opponents of which I feel who are against me can wait for 2022. But if they have any queries then they know the procedure so they can raise their complaints to Ombudsman Commission. Who knows, some may have done that already and of course we will give those files to the Ombudsman Commission, Fraud Squad or other institutions that are there to safeguard against abuses, conflicts and stealing of money.

13/03

We are ready to submit all these documents to the appropriate authorities who want to investigate. I have nothing to hide. We have followed the due process under the law.

We also have our tender processes, NCDC has its own tender processes, funds coming from PSIP are followed by proper processes going to our ORD and they have approved it.

Mr Acting Speaker, I am ready to answer questions. However, for Members of Parliament to go to the extent of not finding the truth, not daring to know the truth and repeating lies is unbecoming. It is not acceptable. That is why I took offence. I don't want to. The Member for Madang gave me 14 days ultimatum. And even when the 14 days is not over yet and he uses the privilege of this Parliament. He should do as he threatened, go to Court or go to Ombudsman. I didn't say I will run away.

Just to give background to this program, Mr Acting Speaker, Members of Parliament and our people listening, this program started humbly. We had to put in more money because it is sanctioned by the international Olympic Committee. It is part of a program that we share with

seven other cities in the world. It is based on a model that was devised in the city of Liverpool. Liverpool used this model to address social problems that they have. The problem of violence and crime and of gender based violence. They try to get young people out of poor conditions into thinking positive, behavioural change and so on. We had to increase the money because it requires a diagnostic visit and everything else from the International Olympic Committee. The cost is high. It is a program we deliver every day and every week. For example, Mr Acting Speaker, last week, we took an 8km walk. I mobilised our people, I always mobilise our people and get them to think about their wellness and fitness and more importantly for us as a city to come together to take ownership of our city to value the city and help change it., 10 000 people turned up.

I want to invite the Member for Madang, he can come and join me this Sunday, if he cares to find out for real. Its high cost, we also advertise every week. You see the advertisement in the *Post-Courier*, not easy money, but Mr Acting Speaker, for behaviour change to happen, we must repeat, repeat, repeat, get our people to change!

I have to deal with shit and nonsense, bad behaviour and violence in this city to turn it around to be a truly national capital. I have to go down to our people's level, walk with them at the settlement. The program reaches out to Bomana. It involves Bomana prisoners. Which program in our country reaches out to people in the prison? Just on that point and I don't want to take credit but I want to put on record that since the current CEO of Bomana was appointed we have been collaborating and there's not been any prison escape from Bomana CIS. Its improving, we are proud of that record.

I can go on and on about the achievement but the bottom line is this in terms of finance, if we want to do a comparison. Mr Acting Speaker, last two weeks ago, I launched this program, for '*Klinim Boroko*'; as part of '*Klinim Port Moresby*' just to get less than 12 guards to support the Police in Tabari place, it's costing us K 640 000 for one year. Imagine if I extend it to whole of Boroko and extend it to Hohola, Erima, Gordons and Gerehu, it will cost over K10 million. I actually have a quotation from another company from facts gathered. So we pay so much for bad behaviour of our people. Just for securities in public places in the city, we need to get security in the market and NCDC owned public places. It cost us about K6 million a year to clean all the rubbish and the litter in the public places. Not in the settlement, villages or in the suburbs.

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This cost us about K7 million to K8 million. For example, it costed us K5 million a year to clean up the betelnut spittle. It is very costly to deal with the behaviour of our people and this is a program we are investing in changing our people's behaviour. It is not going to happen overnight but I have to make a start now. I hope the Member for Madang has some recipe for that beautiful town of ours. It has gone to the dogs.

I will not complain about him if he spends K5 million to reach out to young people in town of Madang. I would be happy for him.

Mr Peter Yama – Point of Order! If the Governor wants to explain then talk about what is before the public. The issue here is why did he give money to that lady?

Mr ACTING SPEAKER – Governor of Madang, the Governor of NCD is making a personal explanation. Please resume your seat.

Mr POWES PARKOP – I withdraw what I said but I have already mentioned that I declared my personal interest in this matter from day one.

It is on the record in NCDC that I don't deal with the contracts. I don't approve them or pay them. What more do I have to say? The record is clear and I have followed the law and proper processes. This is just a political witch hunt.

I have not stolen a single kina and all the moneys have been properly acquitted. You can go and check for yourself and if I have broken the law then the Ombudsmen can investigate and charge me. Let's not politicise this issue because I have to deal with all of our people's nonsense with uniting them and educating them about better lifestyles. I have to look at teaching them about looking after our city and uniting them together. If I want better results in the future then I have to start investing now.

I have made decisions that are very tough. I am not a soft guy like the Member for Madang who wants to be 'mister perfect'. I had to make decisions about demolishing people's houses for the future and greater good of our city. I am not afraid and I will stand by my decisions. I know that our problem is the attitude of our people in the city. This is the biggest challenge we face in the city and country. Unless we address this issue then sorry all our investment in everything including our infrastructures will be destroyed by the bad attitude of our people. Violence will rip this country apart and I am investing in changing the mindset of our people. I make no apologies for that. Thank you.

**NATIONAL DEVELOPMENT BANK LIMITED – ANNUAL REPORTS,
2012, 2013, 2014, 2015 AND 2016 – PAPERS AND STATEMENT –
MOTION TO TAKE NOTE OF PAPERS**

Mr WILLIAM DUMA (Hagen – Minister for Public Enterprise and State Investments) – Honourable Members, pursuant to statute, I present the Annual Reports of the National Development Bank for the years 2012, 2013, 2014, 2015 & 2016.

I ask leave of the Chair to make a statement in connection with the Report.

Leave granted.

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Mr Acting Speaker, it gives me great pleasure as Minister responsible for the National Development Bank Limited (NDB) to present to this Parliament the 2012-2016 National Development Bank Annual Reports as required under *Section 33(1) of the National Development Bank Act 2007*.

Mr Acting Speaker, the 2012-2016 Annual Reports provide in summary the profitable performances and sterling achievements of NDB from 2012-2016.

Mr Acting Speaker, NDB has been operating profitably since 2009 after the successful completion of the five years rehabilitation of the Bank, from 2005-2009. With the support of the Government, the Bank was restored to solvency and profitability after NDB became insolvent for the third time in 2004.

After eight years of profitable operations since the completion of rehabilitation in 2009, NDB is now positioned to take on bigger and greater challenges including securing a commercial banking license for its subsidiary People's Microbank in 2018, to provide retail banking services to the masses, especially our two million indigenous people who are currently unbanked and underserved by the formal commercial banking sector in Papua New Guinea. These are our people who live in our rural village communities.

Mr Acting Speaker, NDB is the number one vehicle for empowering indigenous businesses in PNG. The parent entity NDB, its subsidiaries, the People's Miro Bank and NDB Investments Ltd, provide a range of loan funding products, micro banking services and business incubator programs to support the micro, small and medium enterprises in our country. NDB

is the PNG's business development bank and the only financial institution dedicated exclusively to local entrepreneurs.

The NDB is the champion of indigenous business and financial inclusion in PNG, representing the hopes and aspirations of this silent majority.

Mr Acting Speaker, in the last eight years, the group spearheaded the indigenous SME drive and brought this issue to the fore by hosting the 2011 and 2013 SME Summits that provided the impetus for the current SME Policy for the O'Neill Government.

Mr Acting Speaker, I am extremely delighted to inform this Parliament that NDB has for the seventh year in a row completed its external audits as early as of 31 January every year since 2010. The NDB Group's financial statements for the five years from 2012-2016 have been audited by chartered accountants with unqualified audit opinions.

Mr Acting Speaker, this further affirms the improvement in the Bank's overall governance. NDB is the leading SOE in terms of implementing good corporate governance and best practice. NDB has reported a net profit after tax of K24, 178,516 for the five years from 2012 to 2016.

Mr Acting Speaker, NDB has paid K2 million in notional dividends for the first time since its inception in July 1967 in respect of 2014 and 2015 operating results.

Mr Acting Speaker, these are indications of NDB's growing financial stability as a result of prudent management of funds. The Bank's net assets have grown by K200 million or 158% in the past 5 years from 2012-2016 because of increased funding from O'Neill-Dion Government coupled with improved viability and operating efficiency. The Bank has shown a consistently strengthening asset base which is essential to achieving profitability and long-term sustainability.

Mr Acting Speaker, during the last five years, the O'Neill Government provided K256.9 million to NDB and it lent over K423 million to the micro, small and medium enterprises sector to start and grow their businesses. The NDB could have lent over K100 million per year comfortably in line with market demand if it wasn't for the lack of capital that continues to restrict the growth and development of NDB.

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The demand for SME loans have grown on an average of 20 per cent per year leaving close of over K50 million unfunded loans every year since the O'Neill Government directed NDB to reduce all lending interest rates to a standard 6.5 per cent per annum effective 1 January, 2013.

Mr acting Speaker, the O'Neill Government in its recent 2018 National Budget Appropriation has approved K100 million funding to NDB. The Bank is awaiting the release of the funds to commence its lending to projects that impact the lives of our indigenous citizen especially the rural people.

Mr Acting Speaker, we have all witnessed in the last eight years how the NDB has been transformed into a solvent, profitable and viable institution. But providing adequate capital is the key to expanding NDB's good loan book which is essential to expanding its long-term operational and financial self-sufficiency. Despite the gradual increase in its active loan book in the past five consecutive years, the Government must continue to provide more funds to achieve our Wealth Creation Aspirations of the PNG Vision 2050.

Mr Acting Speaker, NDB is the key implementing agency for the National SME Policy that the Government will use to grow the indigenous private sector to assist the Government meet its Vision 2050 objectives of reversing the current business ownership imbalance where only 10 per cent of our economy is owned and controlled by our citizen to 70 per cent in our favour by 2050.

Mr Acting Speaker, the fundamental reforms of NDB resulted in the improved risk and liability management at all fronts of its business. There is strong corporate governance, transparency, and accountability among NDB's senior management and staff. The outcomes of improved corporate governance and best practice are expressed in the increased efficiencies and the Management's ability to keep the operating costs down during the past five years has resulted in return of the highest value to stakeholders through the payment of dividends.

Mr Acting Speaker, following the successful rehabilitation and the remarkable performance of the current NDB Board and Management, I am convinced that NDB is ready to be entrusted with adequate recapitalisation to the tune of K100 million to K200 million annually so NDB can increase its lending to the indigenous private sector to assist our Government create wealth for our citizens.

Mr Acting Speaker, we want to see more Papua New Guineans, especially those in the countryside, to have access to financial services to start-up or grow their business activities and then move up to become SMEs and large companies. Unless we see more of our indigenous people come to the forefront of our local economy, there would be no real balance in the economic state of our sovereign nation.

Mr Acting Speaker, I am pleased with the remarkable performance of NDB under its current Board and Management and I am committed to securing more funding for NDB in the

2019 Budget to sufficiently capitalise NDB, so it can roll out its operation across the country to provide critical banking services to our people including increased lending to the indigenous SME sector, aimed to create wealth for our citizens as envisaged in our National Strategic Plan Vision 2050.

Mr Acting Speaker, in conclusion, I would like to assure our people that the Government led by Prime Minister Peter O'Neill remains committed to supporting the activities of the National Development Bank of PNG. Thank you Mr. Speaker.

Debate (on motion by **Mr James Marape**) adjourned.

Sitting suspended from 12 noon to 2 p.m..

17/03

**MINISTRY OF COMMUNICATION, INFORMATION TECHNOLOGY
AND ENERGY – MINISTERIAL STATEMENT – PAPER NOTED**

Mr SAM BASIL (Bulolo – Minister for Communication and Information Technology and Energy) - Mr Acting Speaker, I thank you for this opportunity to present to Parliament my first Ministerial Statement on the ICT and Energy sector of PNG.

At the outset, I would like to thank the Prime Minister for appointing me to a Ministry, which deals with two development issues which I am very passionate about, namely energy and communication.

This is a show of trust and I assure the Prime Minister and all of us in this House that I will do my utmost best to help our government deliver to the people of Papua New Guinea.

Mr Acting Speaker, at my appointment the Prime Minister said energy development, which is the engine for economic growth, will be given prominence in the government's development agenda established by the *Alotau Accord II*.

Electricity is an important input to production and is the most versatile form of energy available. It triggers and supports growth in various areas of development and improves living standards. It is, therefore, a key enabling factor to the achievement of the objectives set out in our National Development Plans.

However, to date, the provision and availability of electricity throughout PNG has been unreliable and inadequate to meet demand. The issues of access, reliability and affordability in

electricity supplies for the bulk of the population living in rural areas as well as for many urban dwellers have been long outstanding.

These specific problems reflect wider problems stemming from the current policy framework and incentives that arises from it. For far too long the electricity industry in Papua New Guinea has been operating without a proper policy framework that guides its development.

Since taking up my appointment, I have commissioned a working group to undertake a comprehensive study of the energy sector, building on work undertaken by previous committees and groups which recently completed the National Energy Policy.

I take this opportunity to also acknowledge all energy stakeholders who contributed to the development of the first ever comprehensive National Energy Policy for PNG.

Mr Acting Speaker, I am pleased to inform the Honourable Members that the National Executive Council has approved an overarching National Energy Policy covering all aspects of the energy sector while recognising different Government bodies and agencies' domains.

It is my pleasure to present to Parliament today, Papua New Guinea's National Energy Policy 2018 - 2028 "Harnessing Energy for Life".

Mr Acting Speaker, the main objective of the Energy Policy is the delivery of electricity services for economic growth and rural development. Since 1963 when electricity became available for public use, access to electricity reached only 13 per cent.

Successive Governments have ignored the importance of an Energy Policy which drives the development and utilisation of our renewable natural energy sources to generate power from hydro, solar, wind, biomass and others to advance the development agendas of our country.

Mr Acting Speaker, the Honourable Members will agree with me that an Energy Policy which fully utilises our renewable energy resources to provide the energy needs of our people and the economy is well overdue. In Indeed it has taken more than 40 years since independence for such a Policy to be adopted for our country.

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Mr Acting Speaker, PNG is rich with a lot of sources of energy. The new policy provides for development and utilisation of these sources of energy, including hydro, solar, wind, biomass, biogas, ocean, coal, geothermal and downstream petroleum products to generate power. Specific sub-sector policies will be developed to ensure that each source of

energy is given appropriate government attention in realising its potential in meeting the energy needs of our country and even exporting some of our energy overseas.

There is real prospect of PNG becoming energy sufficient, including energy security through the development of its own various sources of energy. This has happened in many developing African and Asian countries.

Mr Acting Speaker, development of renewable energy and availing access of such energy for public consumption is fundamental to the new Policy in line with world trends. In recent years governments around the world have introduced conducive policies to support development of renewable energy, especially solar power. Renewable energy technologies have also substantially improved, resulting in reduced costs and compact products, thus making it possible for governments to set targets for electricity access to 50%, 70% or even 100% of their populations.

Essentially, the National Energy Policy sets the road map for reforms in the energy sector including the electricity services industry setting in place new institutional and regulatory arrangements to harness the full economic potential of our natural energy resources.

Mr Acting Speaker, the new Policy also establishes a licencing system for supply of electricity by undertakers in generation, transmission, distribution and retailing, of power to the consumers. Review of legislation is necessary to ensure there is no conflict of laws in the implementation of the new Policy.

Legislation is required to ensure that power supply through main power grids and off-grid systems are operated under appropriate laws on level playing fields and in accordance with international standards.

Mr Acting Speaker, there is a lot of foreign products which are sub-standard being dumped in PNG. Therefore, technical regulations are required to uphold standards to ensure our people benefit from affordable quality energy products

The Government has made generation of power an open market through the electricity industry policy. Further reforms through the new Energy Policy will result in the transmission, distribution and retailing of power supply markets open for competition.

A new tariff system will be introduced for power supply generated from renewable energy sources. Appropriate tariff and possibly other incentives for each renewable energy source is vital for encouraging the development of each renewable energy source.

Mr Acting Speaker, under the PNG Strategic Development Plan (PNGSDP 2010 — 2030) the Government envisions to have 70% of its households have access to electricity by 2030.

Furthermore, consistent with vision 2050, access to electricity should reach 100% of households through power generation from renewable energy sources.

A comprehensive energy access implementation plan will be rolled out to deliver basic electricity needs to households in the whole country. Delivering electricity access to 70% or 100% of households in PNG will be a major challenge, requiring leadership at political and bureaucratic levels to deliver the basic energy needs to our people, especially those living in the rural areas.

Mr Acting Speaker, the National Electrification Roll-out Plan (NEROP), is the basic plan that will be utilised to deliver energy services based on the National Energy Policy (NEP). Substantial funding will be needed from within the country and from abroad to support the implementation of the plan and the Policy generally. Positive initial discussions have been held with development partners and international financial institutions.

There is support for PNG's Policy of providing energy access to all our households. Such support has been given to Africa and similar assistance is being considered for other regions, including the South Pacific countries like PNG.

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Mr Acting Speaker, the World Bank, which funded PNG's National Electrification Roll-out Plan will soon organise a meeting for all donors and financiers to consider funding PNG's implementation plans of our National Energy Policy.

PNG will get support from the international community for our energy policies if we introduce good renewable energy policies and climate change mitigation policies leading to poverty reduction. The regulatory framework must also be conducive to local and foreign direct investment.

Mr Acting Speaker, the approvals of applications for licenses and permits must be processed quickly to encourage private investment in developing our rich and varied energy sources. Introduction of appropriate incentives will also bring direct foreign investment into the energy sector.

It is important that benefit sharing arrangements are spear-headed by Government in relation to bigger energy projects, particularly where customary land is required for such projects. Our traditional communities deserve better deals for making their land or resources available for development.

Mr Acting Speaker, most of our people are living in what is called off-grid areas, which are places the main power grids will not reach. A lot of planning has and will go into using off-

grid power systems and stand-alone power systems to deliver electricity to the remotest parts of PNG to ensure that all households have access to electricity. Solar energy is most suited in these areas, but all options will be considered to provide affordable and quality energy services even in the remotest parts of PNG.

The private sector will be encouraged to invest even in rural areas of PNG. Where possible the Government will consider incentives to encourage private sector involvement in providing energy services to the rural areas of Papua New Guinea. Appropriate tariff will also be considered for the off-grid and stand-alone power systems such as mini-grids to ensure that such systems are viable and sustainable.

Mr Acting Speaker, the main implementation body for the National Energy Policy will be the National Energy Authority. The legislation for the establishment of the authority is being finalised for presentation to National Executive Council for endorsement and the National Parliament for enactment into law.

Another important organisation required for the implementation is the National Energy Regulatory Commission. This organisation will ensure that technical standards for safety and quality assurance are maintained in the energy sector.

Mr Acting Speaker, the third important organisation will be established to support the delivery of rural energy services and rural communication services to the rural people. This organisation can possibly provide other rural services such as water, sanitation and other social services as a bi-product from power generation plants. These are social community services obligations to be met by this organisation and the organisation will operate at break-even or even no profit at all.

Mr Acting Speaker, I urge all Honourable Members to lend their support to the implementation of the National Energy Policy and the National Energy Roll-out Plan. The Government through my ministry will start this year with providing electricity to at least 250 households in each region totalling 1 000 houses in our country.

This project will target the households that are beneath the PPL's transmission or distribution lines including other private operators and retailers. These connections will be made using minimum supply kits (MSK) in all types of houses whether semi-permanent or bush material houses. This will allow the easy mobility or connection of the installations when there is a change of house for example, removing thatched roof houses after several years of use.

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The minimum supply kits will comprise the following;

1. Easy pay meter
2. Thermal circuit breaker of 16 amps
3. Two dual three pin power points and energy saving lamps and lamp holders.

The minimum supply kits will supply three lights for the houses and power point for appliances. It will come with a 100 metres aerial cable, earth wire and other electrical installation accessories for each connection. Villages located within 300 metres of the current grids will be the main beneficiaries.

As for other member who want to push for more than 300 metres we will need your cooperation to look at extending the high voltage power from the main road to the nearest village.

Mr Acting Speaker, there is no point of extending PNG Powers Limited lines or other independent power producers to other major electricity loads while the simple people beneath the power line routes are ignored and are not connected to the grid and we have many of those.

Mr Acting Speaker, the power grid running from Ramu to Lae, Ramu to Madang, Ramu to Highlands and Kimbe to Bialla are examples of main grid running without connecting the houses.

I believe that the program under the O'Neill-Abel Government will greatly benefit those people who have this power lines passing through and are not yet connected.

Mr Acting Speaker, we will liaise with partners like PNG Power Limited or other independent power producers who own transmission and distribution lines to use their existing transformers where possible to connect these targeted consumers. However, separate transformers will be used to connect electricity to the people along the route of PPL's power lines.

Mr Acting Speaker, this technology will be used as the blue print, to be rolled-out in all electorates in the country. The funding from the international community will assist us to light up many of our households throughout the country.

Government commitment to the National Electrification Roll-out Plan will be an incentive for overseas funding.

I appeal to the Honourable Members to contribute from their electoral funds to the National Vision of providing electricity to 70 per cent of our households by 2030 and 100 per cent of our households by 2050. I know it remains a challenge but we all can contribute in a small way.

Mr. Acting Speaker, I also take this opportunity to announce to the House that this Government has approved for Papua New Guinea to join the International Solar Alliance which serves a coalition of solar rich countries to address their specific energy needs and to provide a platform to collaborate on addressing the identified gaps through a common agreed approach.

I want to thank the Minister for Foreign Affairs, Honourable Rimbink Pato, for the initial work done to have the National Executive Council approve Papua New Guinea's sign up on the International Solar Alliance.

I look forward to signing the International Solar Energy Framework Agreement and for Papua New Guinea to fully participate in the discussions and activities of the Organization - benefit from the initiatives in renewable energy.

Mr Acting Speaker, let me now turn to the ICT sector. First, I would like to acknowledge the former Minister for ICT; Hon. Francis Maneke and the Member for Talasea, for the work that he has progressed during his term as the Minister before I took over.

Since I took over the portfolio, I realized that there is a lot that needs to be done in the sector, both in infrastructure and services and governance aspects, to bring Papua New Guinea in par with global trends and international best practices in various areas of ICT.

However, we cannot do everything at the same time. We must strategise and prioritise, so that, with limited resources, we are able to set the foundation for key ICT infrastructures and services that our people need.

In this regard, I have instructed the agencies under my preview through the Department to come up with a National ICT sector strategy, and align our sector goals and objectives with the National Medium Term Development Strategy and the Long Term Development Strategy as we progress towards realizing our *Vision 2050*.

Mr Acting Speaker, there are key initiatives that are already in progress and under my leadership, we will build on the existing initiatives to deliver tangible outcomes for our country.

One of these initiatives is the Integrated Government Information System (IGIS).

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One of these initiatives is the Integrated Government Information System (IGIS). This infrastructure costed us US\$53 million, which was equivalent to around K145 million at that time, to build. Phase 1 of this important project has been delivered to us by the developer in December 2014.

Under my leadership, I want to see that this infrastructure is strengthened, the network security improved and that there is whole of government approach in the development and use of this integrated ICT system.

For us to embrace 'Digital Government', we must first have a foundation network infrastructure, so that government officials are communicating and sharing information among themselves, some of which are sensitive, on a secure government network, and we can then interact with our citizens, businesses and communicate with officials of other governments.

Mr Acting Speaker, whilst we embrace digitization as a way of life today and look to maximize on the greater benefits of ICT, cybersecurity becomes paramount. We must ensure necessary measures are put in place to minimize the negative aspects of our ever increasing interconnected world.

The *Cybercrime Code Act 2016* is in place but we have a bigger challenge yet in building the capacity within our law enforcement agencies and the Courts to implement the law effectively to deal with cybercrime offences.

There are efforts made by agencies within my Ministry to assist in sourcing the appropriate training and I appeal to my colleague Ministers of law enforcement agencies and Courts to give equal attention to the capacity requirements within your sector to deal with cybercrime.

On the same token, this Government has placed high priority on cybersecurity, which is to do more with protecting our critical infrastructures and systems such as power, water, LNG, banking systems and more.

Work on developing a National Cybersecurity Policy is in progress and once finalized and endorsed, it will pave way for necessary (laws/ Regulations) to ensure a nationally coordinated effort among all stakeholders, with Government taking the lead, in dealing with pertinent matters relating to cybersecurity.

Globally, cybersecurity ranks as a major policy issue. Countries today face a full spectrum of cyber threats—from cybercrime attacks, espionage and other malicious activities.

No country is truly independent unless cybersecurity policy and cybersecurity monitoring measures are fully in place.

Mr Acting Speaker, as Minister responsible for Communications, Information Technology and Energy, I see the need for a more coordinated approach to enhancing cybersecurity in PNG. And I also am pleased to announce that through the collaborative effort of PNG Government, the industry and our international partners, we have achieved a milestone

— the first Computer Emergency Response Team, (CERT, which will be globally known as the PNGCERT, was launched recently.

The launch of PNGCERT is timely and comes at a moment when the Government of Papua New Guinea is placing high priority on cybersecurity as we play host to APEC 2018. This will ensure a safe and secure cyber environment during APEC and beyond.

Mr. Speaker, let me talk a bit on SIM card registration. It is an integral part of our effort to mitigating cyber related activities through the use of mobile telecommunications devices.

SIM Card registration in PNG is mandatory under Section 266 and 216 of the *NICTA Act 2009*, and is effected through the SIM Card Registration Regulation of 2016.

Mobile telecommunications service providers were initially given 18 months period from 23rd July 2016 to 23rd January 2018 to register their subscribers' SIM Cards.

Reports of data received from mobile network service providers as of January 2018 showed that while SIM card registrations had risen exponentially in December 2017, there were still over 1.5 million subscribers — mostly in rural, remote areas yet to be registered.

22/03

Telikom PNG Limited has registered 74 per cent of its subscribers, with B mobile Vodafone registering 62 per cent and Digicel managing only 42 per cent to date. This means that the total of 1.5 million active subscribers from the three (3) mobile telecommunication companies, are yet to register their SIM cards.

The O'Neill-Abel Government does fully appreciates and recognises the important role mobile telephone has had played over the years in services delivery to the people and also the dire consequences it may have if the service is disconnected from the users and the mobile operators.

NICTA has recently forged a partnership with the PNG Council of Churches to specifically assist in addressing the registration issues in the rural areas to register the SIM cards, which my Department supports.

This proposal is viable and the Government will partner with the churches, who have extensive network to reach the people in the rural and remote areas of the country.

I want to encourage all Ministers of State, Provincial Governors and Members of Parliament to lend their support on the importance of subscribers' registering their SIM Cards before 30th April 2016. The key message is: this is important for ensuring communications and ensuring cybersecurity for all.

Mr Acting Speaker, since we live in an era in which cybercrime and security issues pose dangers to lives and property, the international spotlight will be on PNG, as the current chair and host of APEC 2018. And the focus on cybersecurity which is about responsible and accountable telecommunications must be taken very seriously.

I strongly recommend those that have not registered their SIM Cards to immediately do so to avoid deactivation.

Mr Acting Speaker, on broadcasting, it is a requirement of the International Telecommunication Union, an international body responsible for ICT, that the broadcasters migrate their systems from analogue to digital platform.

For Papua New Guinea, this is important in order to free up the much needed spectrum resources that can be re-allocated and utilized in other critical areas like disaster and emergency communications, marine and aviation communications and more. It will also enable to disseminate information to our people through technologies using single platform. Most of the broadcasters have migrated with few already operating digital systems.

Our national broadcaster, the National Broadcasting Corporation, including *NBC TV*, *EMTV* are also affected by this Policy will need to complete its analogue to digital switch-over soon. *PNG TV* and *TV WAN* has already migrated so, I preferably chose the Chinese standard but they have already migrated into the European standard, therefore, we have to follow suit, otherwise the Government will be liable to compensate under the Chinese standard if we chose to their migration. Therefore we will gear up and encourage both *EMTV* and *NBC* systems to migrate into the system *TV WAN* and *PNG TV* has already migrated to according to the earlier NEC decision which has encouraged them to do so.

The entity is facing funding challenges but will work within its financial resource limit and to source funding to ensure migration is completed. Therefore under my Ministry we will be bringing to Cabinet a submission to source funding to make sure we migrate our broadcasting entities from analogue to digital.

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I am pleased to note that both NBC Management and NBC Board sees the importance for ensuring that broadcasts of news and other pertinent government information reaches the masses.

They are working with NICTA and my Department to ensure that the analogue to digital migration also includes re-visiting use of Short Wave and Medium Wave. Radios using Short Wave were rallying point for families. I want to see that happen again.

Mr Acting Speaker, to conclude, ICT and Energy are catalyst for economic growth and social development. It requires whole of government approach in planning the roll out of these services and most importantly, the partnership with private sector to deliver the much needed power and ICT services to our people.

As Minister responsible, I will update this House from time to time on key developments in these two important sector, and I require your support on major policy and legislative framework that this government will introduce in strengthening the institutional arrangements for these two sectors, thank you, Mr Acting Speaker and the Parliament for allowing me to present my ministerial statement.

Mr MICHAEL NALI (Mendi – Minister for Works and Implementation) – I move –
That Parliament take note of the Paper.

Mr Acting Speaker, as a senior Minister in this O'Neill-Abel Government, many of the Members from both Opposition and the Government side might think that we both are Ministers and so why is he making a statement or debating.

Mr Acting Speaker, I take charge of a very important ministry. And as the Minister responsible for Works and Implementation, I see that road infrastructure, bridges, jetties and airports are the very important infrastructures which we as a country needs it very much, without all these mentioned infrastructures life will be very difficult for people to exists.

Mr Acting Speaker, whilst debating on this issue I also want to atlk about on energy especially electricity.

Mr Acting Speaker, I am from Mendi but I have a Hydro project in Pounda and I have a big land in my Province and Pounda is also my place. But in Pounda where we reside, my people don't have access to electricity but electricity is connected to other districts and provinces. At times I feel that it's really not fair for my people and likewise to the people of Yonki who reside around the project area.

Mr Acting Speaker, same goes to the people up at Sogeri in relation to access to water. Eda Ranu gets water from Sirinumu Dam but some of the landowners don't have access to water from the dam.

Mr Acting Speaker, we can easily blame successive governments and even the current O'Neill-Abel Government for not doing enough and criticise each other but the fact remains the same.

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It is very important that when we make these big statements and when we are in the Government and even for the Opposition, when they make statements debating against the Government it is good to debate with substantiations as to why you support or oppose the Government's decisions.

Mr Acting Speaker, my electorate covers part of Mendi town but most of my people are still living in the bushes. I am very pleased that I have been re-elected to Parliament so in my DSIP funding, I will use this money to build roads, a hospital, a school and I will invest a lot of money into electricity because I don't think there is anything more important to my people than to give them access to the markets by building feeder roads. There's nothing more important to me than to at least when I have the opportunity I will erect power poles and supply power to the villagers.

Mr Acting Speaker, power is a very important need. When we sleep, we wake up at 6 o'clock at the break of dawn. Some usually wake up as early as 5.am and work until 8 o'clock in the night. Some can work late into the night because there is electricity lighting up the place but without electricity this slows down the progress of development in our country and it has a big setback on our people. Our elderly people can't read at night and school students don't have light to study or do their homework.

Therefore, electricity is a very important need and as the Minister for Works I want to say this, I think that when new roads are being constructed or old roads maintained electricity supply and generation must run in parallel to this road are constructions. The two must move together, where there is road, there must be electricity. This reminds us that it is not the sole responsibility of the Government. In the past, as a Member of Parliament I received only K250 000 as a discretionary fund. This was later increased to K500 000, where K250 000 was discretionary and the other half was non-discretionary. What could we do with such an amount?

Today, we receive K10 million, with this K10 million, a lot can be done. So I am making a request to all Members of Parliament, there is possibility of connecting electricity to your electorate, and then make electricity supply a development priority for your electorate. Do not let this opportunity pass on another year. Start now, because electricity will change lives of families, students and it will extend the work or production time for family, a community and the country as a whole.

Mr Speaker, I want to thank the honourable Minister for making a very good statement. I also want to thank him for acknowledging the former minister and I am also thankful that the

Minister was once in the Opposition thus I'm sure some of these members are resentful towards you.

I want to thank the Opposition for sending the Minister Sam Basil over because he has brought with him wealth of wisdom, I am seeing this, I am pleased with his performance. I must say, if one of you were to keep this Minister in the Opposition for nine years, I don't know how I would be able to forgive you.

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I am very pleased with his performance and I must say that if you have kept in the Opposition for nine years then I would not be pleased you. He is a very brilliant person that is contributing meaningfully to this country.

Mr Acting Speaker, when we held the development forum at the Grand Papua none of you Opposition Leaders turned up. Why didn't you Opposition Leaders turn up?

(Members interjecting)

Mr MICHAEL NALI (Mendi – Minister for Works and Implementation) – I must admit that when I saw his presentation I thought this was an electrical engineer or an information technology specialist speaking. He did up a very nice show for us.

The most important thing for us as a country is to work together, come with good ideas and develop our country. I urge all of us to support the statement that the Minister has presented. He is going to use this statement as his yard stick and guide him. These are the thoughts and dreams of a great young leader for our country.

Mr Acting Speaker, I would also like to add on with what the Minister has presented, I think it would be good for all of us to also bring agriculture with it. We keep talking about roads but what are these roads going to be for? I just signed contracts to rehabilitate the Highlands Highway and K32 million for the New Britain Highway but how many institutions are there to benefit from this highway? I have driven up that way and seen the place myself. I realised that when we started building those roads, people moved closer to them therefore I think it would be more beneficial to our people to bring agriculture with our roads.

We all in this Parliament must agree on investing in building our roads and bridges because grassland will not bring money to develop our economy and our country. It is our responsibility to encourage our people to get out of the betelnut markets style of living. We

cannot keep letting them play dart to win rice and tinned fish. We need to do away with it and start doing better things.

Mr Acting Speaker, with regard to ICT, we are at the computer age and it is very important that we seriously start considering how we can develop our people accordingly. Our country is a very big country and many a times we look down on ourselves. However, as leaders of this country, we can make a lot of difference in developing our country and our people.

We have our own difference in politics but when it comes to national interest we should put our differences aside and work together. It will be positive for the development of our country when we all contribute positively.

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So, I want to say that now that we have an opportunity, I want to say something regarding the energy Sector. Before we did not have the money but if we can all contribute and join hands together and give power and services to our people it will make a big difference in the lives of our people in the rural areas.

Thank you, Mr Acting Speaker.

Mr JOESPH LELANG (Kandrian-Gloucestera) – Thank you, Mr Acting Speaker, I want to thank the Minister for Communication and Information Technology for his ministerial statement today and I would like to join in this debate.

Mr Acting Speaker, members from the rural areas know that the two critical issues that confront us and our people are basically electricity and telecommunication.

Sometimes when I am in Kandrian, in my district station, we have continue to use diesel-powered generators. I think the provincial government wanted to fix it after they spoilt it and for the last two years we do not have electricity and no one wants to take responsibility and fix it.

There are three beautiful islands off the shores of Kandrian station, just about a kilometre and while we have generators and solar, those three islands have no form of electricity connected to them. Sometimes, I wonder why it is that electricity was discovered 200 years ago but many parts of our country still don't have that basic need. And I still fail to understand what the job of PNG Power is. Why can't we make a decision and move everyone to the province and district and pull power to the rural areas where most of our people live? Why do they remain in Port Moresby or provincial capitals? Most of our people are no living on that side, we need to take some concrete decision and we move it down by giving the DDA and

provinces more funding and change the policy so that they start going out to those areas that are off grid and include them into their grid and extend the power out. We have to make those decisions otherwise in the next term when we come back we will still be talking about this same issue.

In Kandrian, I want to focus on telecommunication. We have a Whiteman range in the middle of the island of New Britain and they stopped all sort of shortwave frequencies and as a result we can't receive *NBC, Karai Radio* since 1975.

We were waiting for some private developers to come and setup the telecommunication towers so that my people can have access to this basic needs like radio station services, maybe get NBC TV, introduce computer labs and telephone services to schools and all those essential items but we waited and waited and nothing happened.

So, last term we decided that we should build our telecommunication tower and I am happy to announce that we have bought three towers at the cost of K3.3 million in partnership with NBC Engineers who came in and set them up. One is at Kandrian Station, a hybrid three-legged tower with windmill, generator, two satellite discs, one to hit the satellite in outer space and the other to pull signal from the other towers.

Now, my people have for the first time have received *NBC, Karai, Youth Tribal FM Radio* and for the first time they are watching *NBC TV* news. This was a very big project.

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I have always believed that telecommunication is like a bone, if you throw a bone into a jungle, all the dogs will run after it. Dogs are like development. When you set up a telecommunications tower, developers will come.

We have been talking with B-mobile and will be signing an agreement with them shortly to hook up so that those who use B-mobile SIM cards can be able to get signals for the first time. We are also in discussion with *EMTV* as well. They will come and the rents that they pay will accrue into the district treasury as internal revenue.

That is something that I have to discuss with the Minister for Finance and his department because our district treasuries are more expenditure orientated so if we raise our revenue how are we going to account for it. So these are the technical issues that we need to sort out but we need to sort out. We want to invest in our own infrastructure so that we can raise our own revenue and be able to meet many of our own priorities.

There are other programmes that we will be introducing. The reason why I am telling this little story is to show the importance of these critical sectors but we can't do it alone. Not

many districts can do it alone. And these are real development issues that our people continue to face over so many years. I have used DSIP to do that.

I am also trying to look at power. There are some discussions taking place now. We have over two million cocoa trees, maybe more than that. We produce close to 30 000 tons of cocoa annually, I've got the service done.

My problem is I need to talk to people as to how we are going to get those things out and like I said, I can't do it alone. I need electricity. We can use electricity to dry the cocoa, dry the wet beans, produce high quality and then we can export it. But I can't do it. These are things that I am still discussing with number of people and, hopefully, with some donors we can be able to do that.

These are some realities. We can achieve a lot but all we need is investment in these two critical infrastructure.

The last thing I want to say, Mr Acting Speaker, before I sit down is that although it is important, and I note that we need to look at cybercrime issues and other security issues relating to that, my only concern is, what about our people who are registering their SIM cards?

Many of the forms that they are filling in contain very, very sensitive personal information that belongs to our citizens. What is the guarantee of confidentiality of these information? We don't have any laws in this country. In other parts of the world when you want to get a SIM card you just bring your passport and they'll copy it and that's it. In our case they should just use the National Identity Cards. Why do they want to know your occupation? How old are you? Where were you born? Why is all these information important to them?

I think when we deal with ICT issues and cybercrime issues and e-government or whatever issues associated with telecommunications we need to be very, very careful about this particular issue.

I think that any forms that these mobile phone users use must be designed by the department or be part of the law as one of its schedules so that we control the kind of information these foreign owned companies obtain. Maybe some are our own companies but privacy of information is very, very important.

I have seen some of those forms and I am very, very scared to fill in my information, for example, occupation, Member of Parliament. Why would I volunteer this kind of information?

So, Mr Acting Speaker, this is an issue which I think that before we rush into forcing people to do things we need to sit down, get all those forms, review them and get the basic information only, not something that is more private in nature.

That is all I have to say, Mr Acting Speaker, thank you for giving me time.

Mr BRYAN KRAMER (Madang) – Thank you, Mr Acting Speaker. I'd like to acknowledge the speech given by the Minister for Communication and Energy.

I think at some point in his speech, I have shared the same concerns raised by the Member for Kandrian-Gloucester and that is in relation to SIM registration.

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Our Government struggles to ensure that our people get minimum basic medical supplies or lifesaving equipment and somehow focus on registering all our citizens at some very considerable cost without considering the fact that 80 per cent of our population do not live in urban centres and yet, make a policy decision regardless of the burden it brings.

We expect some 2.5 million subscribers of which 80 per cent are in rural locations to come into the towns even though registration is free, be burden with the cost of a PMV at K50 in and out just to register their sims and have communication. We went through so much effort to ensure they have communication and then we turn around and burden them with the registration.

Now that we have had mixed statements in the media from the O'Neill Government that it is important for APEC. Now we are saying it is because of Cyber Crime?

So some of the most developed countries in the world have yet to register all their citizens and somehow PNG the least developed is putting this issue on the front foot.

Let me ask the good Minister to put some serious thought into this policy. They try to implement it last year and it failed. It wasn't practical so they extended it again and now we extend it again to April. And then obviously once you apply that policy and cut off some million users of communications and in some cases, people will have to try to get their family members to hospital and then they got cut out. Their phones are disconnected simply because they weren't able to register and we have not considered what challenges they faced to register their sim. So who will pick up or carry the cost in those circumstances.

Our hospitals medicine, we need classrooms, we have teachers that are teaching 90 students in a classroom because no one never thought through a policy to see what effect of free education would do in our education system. So we seem to be coming up with hairband idea of policy without much thought to whether we have the capability to implement. There is no money and now we have a State of Emergency and the release of funds to those districts is only K1 million. State of Emergency and the most we can release to those Members affected

representing thousands of people is K1 million DSIP. This K1 million is a normal allocation for DSIP and not for State of Emergencies.

I ask the good Minister to sit down and put some consideration to this Policy in terms of imposing a regulation. There is already been cases in the media in relation to people making threats on using their phones, they have been charged and Digicel has the capability to track them down.

I don't understand why we have to burden the entire population with a program. We had NID registration which worth K230 million to register every Papua New Guinean. Now they have a new Director in charge of the program and I asked him how many were actually registered and he said less than 100 thousand. I asked how much was spent and he said K230 million. So they spent K230 million to register 100 thousand citizens. Again, waste of cost.

I acknowledge the statement presented by the Minister but I ask him to consider the challenges and burdens that will affect our people so whatever funds that we do have, let us channel it through the more critical areas of service delivery within our districts.

Thank you.

Mr RAINBO PAITA (Finschhafen) – Thank you Mr Acting Speaker, I rise to give my thoughts on the statement by the Minister. Firstly, I congratulate the Minister for his efforts. As much as we have many issues that confronts us, there is a saying that sometimes business is like a wheelbarrow. Nothing ever happens until you start pushing and as a Government, at least there must be ambitions policy must achieve something. In previous times, we have a lot of discussions, form lots of committees and subcommittees and discuss lots of issues. Sometimes, in my view, it is best we take the first step into the unknown.

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Mr Minister, I want to contribute particularly on ICT, the future of the world is centred around digital economy. And as a country, nothing is stopping us from embracing new emerging technologies and infrastructures that can benefit us and it doesn't mean that we don't have the capacity to develop it. We came as a government trying to be in the forefront of some major technologies, especially to do with being role player, especially digital economist or in technology. Therefore, in your statement embracing the idea of moving into more digital economy in the sense that we appreciate that the world is changing.

In the next 20 years, Mr Acting Speaker, when you look at the evolution of money we might change from what we have now into a more digital economy, and this are the things that are challenging us.

And I really appreciate the statement presented by the Minister for Communication and Information Technology and Energy. We too must embrace the changes and if we don't then we will be left behind in all these changes happening. It doesn't mean that we are an Island country, some of our neighbouring countries have done it so we can create our own lessons. If we fail then we can get up and do better decisions. If we are afraid of making decisions, we will never progress as a country. So, my support to the Minister is, well done on the effort put and these are some of the steps we need to take as a government in regardless of whether we succeed or not. The big thing is, we learn from our own mistakes.

So Minister I commend you on your part in creating this plan and ambition for us to create a more robust economy especially to do with integrating ICT into an economy, which is the future of the world where other countries are moving towards it.

I also congratulate you for a lot of visits done and I appeal to the Government to support this type of endeavours.

As I mentioned, in the next 20 years, the keys players in the world will be those ones driven by strong economy based in technology and ICT and that is the trend we should take.

Thank you, Mr Acting Speaker for allowing me to contribute to this.

Mr RIMBINK PATO (Wapenamanda – Minister for Foreign Affairs) - Thankyou Mr Acting Speaker, for giving me this opportunity to contribute to this debate. I was not able to contribute to many of the debates because of my responsibilities away but thank you so much.

Whilst having this opportunity, let me convey my personal condolences and sympathies to the people of the five provinces that have been affected by this severer earthquake. Our sympathies go out to our sisters and brothers at this time. I will do what I can as Minister for Foreign Affairs to reach out to the international community, multilateral partners and bilateral partners to direct whatever assistance we can get to the benefit of our people.

Having said that, I want to make one or two short points on the brilliant statement made by the honourable Minister for Communication and Technology and Energy.

I think the policy statement is well articulated and it's very comprehensive and it's reflecting a way forward for this country in very key sectors of development of ICT and energy development.

They are the key pillars of development in any country in the world and if we get the policy right, set the framework for the implementation of the policy, proper coordination as the Minister has alluded to in his statement, have close collaboration between provincial government, district development authority, local-level government council, churches, NGOs and if we get our thinking right in sharing of information then success is ours for the future.

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I think success is ours for the future because under the United Nations Sustainable Development Goals, for example in the area of energy development, the agenda of the United Nations Secretary General issued in 2015 was, there must be renewable energy for all and the balance mix of it must be achieved by 2030. PNG has all the options in energy. It has options to develop hydros, it has options to develop bio mass, it has options to develop energy through windmills, the wind, solar waves, thermal power. We have all those opportunity existing in this country.

The Minister and his ministry should look at the opportunity to ensure that there is a proper scoping work undertaken in relation to what type of energy development is suitable for which part of the country and suitable for what purpose. What is suitable for the Highlands of Papua New Guinea energy development may not be necessarily suitable for areas like West New Britain, Milne Bay, Gulf of Papua and the Western province.

I am available to engage in consultations with my colleagues, and where possible, I will try to link with relevant agencies globally to ensure that there are scoping opportunities for what we can do moving forward on the issue of energy development.

There was a report from *World Bank* a few years back, stating that Indonesia, a country with close to 250 million peoples had 75 per cent energy accessibility to the population. We have a population of eight million, yet only 17 per cent have access to energy. What is wrong with us?

I think the start up in terms of policy focus is right. Looking into the future, in terms of energy development, we need to look at how we could partner better with the national government, partner with bilateral partners and multilateral organisations. How do we define what kind of energy participation, what kind of stakeholders would we have in the area of energy development and so forth. For example, what percentage should be allocated to provincial governments, what percentages should be allocated to local level government council, what kind of stake should be given to district development authority, so that there is

an ownership and transparency, accountability for the future. That is one aspect that needs to be covered on the basis of the statement just released.

On information technology, the world is not where it was, today, the world is changing and will change forever. I fully endorse the comments of the Member for Finschhafen and the honourable Minister. I think we need to tune in. If we tune in right, a lot of opportunities exist. PNG as a leader, we are compelled by the size of our country, in terms of land, population, economy and in terms of our connectivity to South East Asia because of the land border with Indonesia, to take charge to exercise that leadership role in the Pacific and see what we can do.

I think the key is to get down to the details. I think the Minister has delivered a key and effective statement. I will lend you my full support and whatever I can do as our spokesman internationally. These are key sectors that I will drive for the interest of our country. Thank you very much, Mr Assistant Speaker.

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Mr RICHARD MASERE (Ijivitari) – Mr Acting Speaker, I commend the Minister's statement. Let me start by making a point with a story, a lesson for learning. Papua New Guinea being a Christian country, let me use this Christian lesson to help and guide us as a nation.

There was a Pastor that was preaching in my church one time and he told a story about Jesus when he was carrying a cross to Calvary. When Jesus was carrying this cross, he fell down many times and the Roman soldiers would whip and hit him. Despite this, Jesus kept on getting up on his feet and walked towards Mt Calvary.

At the end of this sermon, one member of this congregation asked the Pastor; why didn't Jesus just give up when he was treated in that manner. The Pastor replied to the member of his congregation that when Jesus was born, he had a purpose in his life. When he carried the cross and fell down, he knew that there was something on earth that he needed to achieve so he set his mind to achieving this goal.

So let this be a lesson to all of us. The Minister presented a good statement. Many times, our Prime Minister comes under a lot of scrutiny and attack especially from one of our colleagues in the Opposition but this Prime Minister is unlike many previous Prime Ministers we had in the country. This Prime Minister has very good vision that during his term, he wants to see this country achieve many good results. He has his goals and vision set and Ministers and Members surrounding him will achieve them. Therefore, sometimes, we need to give credit where it is due.

So before I thank the Minister for his very good statement, I want to congratulate the Prime Minister for having a vision of a leader to make sure that this country is developed during his term.

During the opening ceremony of the Girua Airport, the Prime Minister stated that he had to borrowed money to develop this infrastructure but many times, we keep on attacking and say that the previous governments of the day had surplus budgets but as a developing country, we should not be concerned about surplus budgets, we should be operating in deficit budgets which proves the point that we are developing the country. So while our country is developing, it is okay to have deficit budgets because that is the only way you can identify that a country is changing and developing.

The Prime Minister shares the same passion with likeminded leaders who are practical to deliver services to our rural people, I want to congratulate our Minister for Communication and Energy. I agree with the Minister on Works that the same passion he had while in the Opposition for the last nine years, he is emulating that now in Government. He is very active, he wants to drive development and he wants to see development under his Ministry take place. But there are lot of things that we could make better for him.

So, I want to congratulate the Minister for his statement and I can see his passion to ensure that there is change. We see some good changes in telecommunication and energy. I want to talk about energy because when I took office, I became passionate about two areas and they are agriculture and tourism. These two sectors can contribute heavily to our economy if it is driven properly. And infrastructures like electricity and roads are part and partial of making these two industries sustain our economy in a long term.

So electricity is important and I also want to say thank you to the Minister for National Planning and Implementation. He asked me what kind of project I wanted in 2017 and the first thing that came to me was electricity to run Popondetta town and all the way beyond Girua Airport. Girua Airport is the only national airport in this country that is not hooked up to the PNG Power grid.

To make that a reality, we need to bring in electricity so that we can be competitive like any other province in the country. So I thank the Minister in his wisdom for approving this every today, we have work underway in the Province where power is finally going pass our Airport which we can use.

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Air Niugini and Airlines PNG Officers use the torch light if we are getting on the morning flight so, power is an integral and important part, it is no longer a want but it is a necessity for everyone in this country to have.

Now, in *Vision 2050*, it clearly states that Papua New Guinea in 2050 must reach 100 per cent of our communities but then we look at our community, we see that 80 per cent of our people live in urban communities and 20 per cent live in the rural society where they have access to power.

Electricity is something that we must make this Government responsibilities, doesn't matter how we get it there whether it be through biomass, bio fuel, solar, water or whatever it is we have to deliver it to our people because it is a necessity for them.

Children that go to primary school in rural areas cannot do studies in the night because they do not have the basic necessities like light. If the mothers want to cook food they have to peel the food in the afternoon and cook on the fire so they eat early they are unable to cook in the night.

I live along the stretch of the road that runs from Popondetta Town to the coast where Oro Bay Port. Electricity comes and stops where I reside, which is five kilometres out of town even though, we have one of the best roads in the province or in the country.

I do agree with the Minister that there needs to be collaboration between all the government departments that are put in place to make sure that development runs so if you are building a road, power must also be connected, agriculture, SME must also be in place, the speed of activities based on the roads buildings and the power can change this Nation.

We ask the question, why do many people steal? It is simply because there is no opportunities that we provide to them through the basic necessities that we can provide as the government of this country.

At night, if you go for a drive on that beautiful road to Oro bay and once you come past my house, the next 30 kilometres you will see that there is no electricity on that stretch of road. So, the challenge that remains with us is how do we make this happen?

We have a Prime Minister and a Government that is committed to see this things happen in this country. When we come into Parliament we are so negative and many times, we are good at accusing, going on to Facebook and discrediting good leaders but not offering good advice. We are all human beings and we all make mistakes but like Jesus, he fell but he kept going on because he had a purpose to accomplish. So, if our Members have fallen, we have to

lift them up and guide them. The people did not vote us to come here to make ourselves look good but they voted us to come here to make a difference in their lives.

We are here as privileged leaders to represent our people, it is not your God given right to be here, you are privileged to be here because the people gave you that mandate and you have a responsibility not only to accuse but to provide guidance for other leaders. They are humans, they can fall and we are not perfect, nobody is perfect.

Mr Minister, I want to congratulate you because 80 per cent of our people in the rural communities need our help so I am excited that you are driving this. The government needs to look at how best we can be able to address rural electrification programs.

Now, for myself, I think that PNG Power is a really big monster that needs to be guided and broken up to make sure that it delivers the best service to our people. We have four areas; generation, distribution, transmission and wholesale and retail under the leadership of our good Minister for Public Enterprise. We can leave the profit side of the business to come under his responsibility so that can concentrate on the business that he can produce income and revenue for this country.

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This is so that he can concentrate on the business that can produce income and produce revenue for this country.

I believe that generation, distribution and transmission division must be segregated from PNG Power and placed directly under Minister Basil's direction so that he can drive the agenda of making power accessible to our rural communities, we've got companies like New Britain Palm Oil that are already providing us an opportunity with bio-fuel. That is much cheaper. Wherever there is a New Britain Palm Oil branch, the government, PNG Power and Ministries should already be working, consulting and talking to them. How can we connect with the bio-fuel that you've got to make power cheaper?

In the last Parliament Meeting, I raised the point with the Minister for State-Owned Enterprises and he gave some good responses. But, Minister, I am not satisfied with those responses because I believe that it is very expensive to operate in Papua New Guinea; you ask any businesses and they will tell you so.

So the best way to improve this is to provide alternative solutions to agriculture. One way we can do that is to reduce the tariff on agriculture so that we can encourage the agriculture industry to operate successfully and profitably. But, when you set a high figure, it will be difficult for them to compete with the rest of the imported products that come in here.

Another area that we can look at is to subsidise rural power. The government needs to take on some responsibilities on this area. We need to budget for it. We need to set money aside and pay for these things. These are important things that we need to do.

In addition to that, we need to look at industries that operate in the day time. You've got manufacturing industries that consume most of the power so we experience frequent blackouts. It is not because we don't have enough power. No, it is sufficient but it's just that the business community is drawing most of that power. Why can't we reduce the tariff rates for night users so that these industries can start manufacturing goods in the night? The benefits of that is that if it is cheaper, then the products on the shelves will also be cheaper.

So, these are some good opportunities that you can take on board, and address so that we can make Papua New Guinea not only competitive but also cheap in some ways.

If I go to National Planning today and tell them that I need power for my communities, I am the one telling them what I need. The National Planning is the planning institute of this country that should have planned all these things. They should be telling us, Members of Parliament and Ministers, they should be telling us, you need power, you need this, in your communities, not me running to them. They should be running to us to tell us, this is what we can do for your districts and your provinces. Why do I have to do proposals after proposals and run to them seeking funding from them, they should be guiding us. They should be showing us the pathway to follow.

So I want to challenge the government departments. In many instances, you will notice that we are working in isolation, we are not working in collaboration, there is no synergy.

The Ministers for Communication and Energy, Works, National Planning and Public Enterprises, please take note that these are some things that I believe as political leaders and heads of these areas, you must instruct your Secretaries and your company managers to work together.

Let's make Papua New Guinea a conducive environment, not only for agriculture and tourism but for people to want to come because they find out that we have got our acts together and that we are providing leadership upfront.

I want to congratulate the Minister on your statement and I also want to give credit to the Prime Minister for the leadership he is providing. I made this point at the airport, it is that now we have a Prime Minister that is passionate about delivering services and infrastructure to our communities. If our past prime ministers have that same passion, today, we will be enjoying those benefits, but we are not because they didn't have that same pride. The same passion wasn't there.

So, Prime Minister, I take my hat off to you, continue to do what you are doing, you've got our support. You've got the support of the Government Ministers, you've got the support of the Backbenchers, and you've got the support of 99 per cent of the Opposition, maybe one per cent, I don't know.

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Mr Prime Minister and Minister, thank you very much. I applaud your statement and I know you will deliver the same passion you showed in the Opposition, I am confident that the Ministry is under you and we will continue to have positive interaction with you and whatever you have set in your policy statement will come to pass. Thank you.

Mr ALLAN BIRD (East Sepik) – Thank you Mr acting Speaker, for recognising me, I also wanted to applaud the Minister for the policy statement he has presented. I want to add that I will actually be very keen to take a look at the policy.

One of my biggest disappointment in coming into Parliament is that many times when Ministers stand up and speak, they speak about how they feel and how they think things should work. It's very encouraging to see some Ministers are providing ministerial statements to be followed up with actual policies, so when we sit in this House, we are not debating about the individuals but we are debating the pros and cons of the policy. I think that's important so I want to commend the Minister and state on record that I want to take a look at the policy when it comes because policies are important to provide the basis for us to discuss, to review and then to correct and improve as we move along.

If we continue to come to this House and talk about how we feel, that has a tendency to change from day to day because we are a human being and God is not dwelling in this House so we are subject to changes depending on our mood.

Mr Acting Speaker, the second issue I would like to raise is that, in the last 40 odd years, we have had many great policies but unfortunately many times when we come here, we tend to criticise all of those that have gone in the past and to suggest that somehow they have failed and that there has been very little progress towards development.

There are many reasons why we have not developed at the pace that we all would have liked. And to over simplify and somehow say that great people like Late Bernard Narokobi, Anthony Siaguru, Sir Iambakey Okuk, Sir Tei Abel and all of those who have gone before us somehow never had the same passion as us who were born yesterday and are now seated in Parliament undermines them. In their memory I stand here to say that we have no right to

compare what kind of passion we have now with great leaders like Okuk, Abel, Kondomagaundo, I'm proud to mention the names of these great leaders here.

As young leaders who came in just yesterday, we must think and talk. Our education level today is different from those leaders, but these are people I admire greatly. I think of my own former Member Sir Pita Lus. He is one of those people including Somare, who are not here.

Mr Acting Speaker, we have made policies many times and one of the areas we continue to fall down on is implementation. When we first had our system of government and the way we wanted to do things, we had the Local Level Government actually delivering the services. So when they collected taxes, they collected rates in their respective districts. They used that money to fix the roads, they collected head taxes and uses it to provide a lot of the services. Today, the Local Level Council President is called an honourable Member. He is no longer a service provider, he has developed to become another Member of another House.

How this change came about, I am at a loss to explain. However, in order to fix that problem, the previous House came up with the District Development Authority (DDA). Whether that is going to remain an administrative arrangement into the future is still to be seen, but we solved one problem by going and creating something else.

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Whether that is going to remain an administrative arrangement into the future is still to be seen but we solved one problem by going and creating something else. Now as a recently elected Governor, I am very keen to progress my province in the ways that I think and having lived in my province for a long time and lived in villages and developed an understanding and appreciation for the 43 600 square kilometres of my province. But when we sit down and start to figure out how we want to do things taking into account government policies such as this one and the *Planning Act*, again a great policy and piece of legislation that was passed by the previous government under the same Prime Minister, and when I look at this statement by the Minister and I see no mention of the *Planning Act*.

Mr Acting Speaker, I see vision 2050, and you hear about some of the targets in vision 2030. Let me just state that if you look at electricity for instances, we have only achieved 13 per cent rollout and only 13 per cent of our population have access.

The targets that the good Minister just mentioned is 70 per cent by 2030 and it's a great policy statement but the reality is that we are going to struggle to achieve that because we have problems with implementations. My interest is in the arrangement and who will do what.

Mr Acting Speaker, before when our population was at one and a half million the Planning Department was dealing with every project from K100 000 up to K100 million.

Today, Mr Acting Speaker, our population is around 8 million and the Department of Planning is still dealing with K100 000 projects all the way up to K1 billion projects. The arrangement has still not changed so you have ministries that come down all the way to the province and dictate. I would like to think that ministers would come with policy statement and provide a policy and then you provide target.

You don't come and spell and spell all the way down and say put this bolt here and put this nut over there. There should be a respect for the different implementation agencies or national agencies. Now as we can see and I mentioned again the unfortunate disaster up in the five provinces in the Highlands, all our government agencies their main focus is up there. How about those of us that were not affected? It is too bad because the implementing agencies are the same agencies that will run here and there from one province to another when there is a situation. What about those of us on the ground? Do we wait until the Works Department turns up to carry out their responsibilities? Do we wait for the ministry of communication? We cannot continue to do things the same way that we have always done simply because the environment that we work in has changed.

Therefore Mr Minister, if you want to see success, my suggestion is that perhaps some of the discussions that need to take place in the NEC is for us to look at some of these arrangements. Ministers cannot pretend to be able to have the capacity to go around implementing everywhere else and bypassing the provincial governments.

I read very much into the statement by Sir Julius Chan and others who have aspirations for autonomy. We have these aspirations because of the dissatisfaction of the arrangements. We can come up with very nice policies but we cannot implement it. For example, you have one minister looking after money and he sends money to another ministry when the actual project is supposed to be in Maprik or Wewak. This is something that needs to be changed so it's not about blaming people but about looking at the systems that we are utilising.

Mr Acting Speaker, in East Sepik, we are interested in energy, However, I will give you an example as a case scenario in the province.

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For East Sepik, we are interested in energy but Mr Acting Speaker, I want to give you this example. I have a tuna company operating in East Sepik and because PNG Power does not have the capacity to supply this organisation, they have set up their own power generation

capacity. They buy fuel to generate their own power and they have to go and under law pay a fee to PNG power for running their own generator. If you go and stick a solar panel on top of your building in the middle of Wewak, PNG Power will charge you because you are not allowed to do that. I have not seen that in the statement. You need to deal with these arrangement, these arrangements are killing us.

Mr Acting Speaker, I want to have remove PNG Power from operating in East Sepik. That is how I feel. In East Sepik, we are not waiting for you to come and connect power lines. East Sepiks' are hardworking people. If you go to Maprik, Wosera, Ambunti, Drekikir, you will see light on the hills. That light is paid for by cocoa and Vanilla, not PNG Government. We must empower our people so that they can have the ability to procure these things themselves. We cannot sit here and take a supply approach. Let's supply the schools, lets supply this, lets supply that and somehow they will build farms and SMEs' and all other projects will pop up miraculously. It won't happen trust me. You need to empower the people. If you connect electricity, PNG Power starts charging them 98 toea per kilowatt. Where will our people obtain money to pay the power bill especially when they don't have an income generating source? So don't just look at the supply, look at the demand side. Mr Acting Speaker, in East Sepik, I have spoken with Oil Palm growers and in November this year, they will launch their first oil mill. Mr Speaker, I asked them to construct a five megawatt power plant which will generate power from the oil palm biomass. The East Sepik Provincial Government with understanding from the government can connect to that power source and these palm oil growers have agreed. This is fully in line with the strategy for responsible sustainable development. I am hoping that by next year, East Sepik Province will have no need to operate using a diesel generator, but by doing that, I will need to get rid of PNG Power. I have to get rid of PNG Power in order to fulfil the requirements of the strategy for responsible sustainable development which again is a policy statement of the current Government.

Mr Acting Speaker, we are not here to criticise meaninglessly, we are here to contribute meaningful ideas that work, but if one hand of the government makes an offer and the other sets up a road block, yet another removes what has been offered by the government to the people, with all these different policies conflicting, we have a problem. How do we operate in an environments where one policy conflicts another; where one state agency has conflicts with another one. These arrangements need to be fixed.

As our previous speaker, Member for Ijivitari so eloquently put it, they are in a position to fix it. I want to say again in closing, Ministers must search the policy parameters. We have to agree as to who the implementer is. Don't set up policies above, then implement it yourself

and then monitor your own progress. This approach does not work. The principle of cascading load must apply. Vision 20150 stands, SDP 2030 stands, how to implement the strategy for responsible sustainable development, these principles were all set out.

Mr Speaker, in closing, it was a very good statement, but I would have liked to see some linkage between the policies, some very good policies of the previous government.

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Some very good policies of the previous government. I would like to see the linkages and I encourage ministers to be able to draw those linkages and inform Parliament. Come up with these things so that we know exactly what is required by us from the National Government.

Debate (on motion by **Mr James Marape**) adjourned.

ADJOURNMENT

Motion (by **Mr James Marape**) agreed to –

That the Parliament do now adjourn.

The Parliament adjourned at 3.50p.m..