



**AUSTRALIA PAPUA NEW GUINEA
BUSINESS COUNCIL**



**23rd AUSTRALIA PAPUA NEW GUINEA BUSINESS FORUM
Cairns Convention Centre, Cairns, 18 to 20 March 2007
“AUSTRALIA AND PAPUA NEW GUINEA: BUSINESS AS USUAL”**

COMMUNIQUE

The 23rd Australia Papua New Guinea Business Forum was held in Cairns from 18 to 20 March 2007 with the theme “Australia and Papua New Guinea: Business As Usual”. The 1st Australia Papua New Guinea Trade Expo was held in conjunction with the Forum. More than 270 delegates, partners and exhibitors attended the Forum which was addressed by the Hon Alexander Downer MP, Minister for Foreign Affairs of Australia, Hon Paul Tiensten MP, Minister for Foreign Affairs and Trade of Papua New Guinea, and the Right Hon Sir Rabbie Namaliu MP, Treasurer of Papua New Guinea, the Hon Sasa Zibe MP, Minister for Agriculture of Papua New Guinea, and a range of expert presenters and practitioners in economy, trade, agriculture, health, infrastructure and resources.

The Forum welcomed confirmation from the Australian and Papua New Guinean governments that despite short term differences which occur from time to time on policy issues, Australia and Papua New Guinea will always share a close relationship because of the depth and history of the relationship. All stakeholders in the bilateral relationship were encouraged to consider ways, including through exchange programs, in which younger generations of Australians and Papua New Guineans can be encouraged to learn about Papua New Guinea and support the bilateral relationship.

The Forum commended the Government of Papua New Guinea for economic management during its term. It also expressed its appreciation to the Government of Papua New Guinea for the excellent work of the National Working Group for the Removal of Impediments to Business, and also for the progress which had been achieved in starting the process of land reform to improve opportunities for the economic use of land.

The Forum was reminded and informed by a number of presenters that improving law and order was an essential ingredient for large and small business to expand and improve prospects for growth. Delegates noted that since the collapse of the policing component of the Enhanced Co-operation Program there had been only slow progress in implementing improvements in the law and order situation. The Forum strongly urges that the RPNGPC be provided with the resources to effectively do their job through implementation of the recommendations of the Police Review. The Forum agreed that both governments should work together to create new solutions aimed at resolving outstanding law and order issues. Such efforts needed to be co-ordinated and inclusive of all components in the sector.

The Forum called for accelerated progress in the reform and liberalisation of infrastructure including telecommunications, roads, ports, airports, power and water, all of which impact on the cost of doing business, and encourage competition in these sectors.

The Forum expressed the strong view that it is crucial for Papua New Guinea's economic development that greater focus be given by the Governments of Australia and Papua New Guinea to facilitating the growth of broad investment and employment opportunities. In particular the current surplus from the resources boom needs to be invested in areas that provide sustainable growth and employment.

The Forum encouraged both governments to focus policy on development of small to medium scale enterprises and informal sector to address unemployment levels. Governments and donors should engage the commercial banks to promote SME development by sharing the risk and lowering the threshold for access to capital.

The Forum noted progress towards the establishment of the Australian Pacific Technical College. It urged that processes be put in place to ensure that existing educational institutions are supported and strengthened and that education and training be designed in consultation with business to ensure that its outputs match the needs of industry and the economy. It urged that its structure ensure sustainability through utilising trainers experienced in working in the Pacific region.

The Forum participants considered that a system of temporary access to labour markets has many benefits to both sending and receiving States, and encouraged the Australian government to be open to dialogue on this issue.

All delegates recognised the important but currently undervalued contribution women make to business and economy in Papua New Guinea particularly in small business. The forum urged that this be recognised including by removal of discriminatory attitudes to women in business, greater use of experienced Papua New Guinean business people in training and mentoring of women and supporting the empowerment of women.

The Forum applauded the progress made by a number of companies in the fight against HIV/AIDs. The Councils noted the improved co-ordination in the delivery of HIV/AIDs. Much still needs to be done and the councils agreed that they would actively encourage all members to confirm their company's participation in the establishment of HIV/AIDs programs within their businesses.

In line with building on Papua New Guinea's existing strengths where 80% of the population resides in rural areas, the Forum urged the Government of Papua New Guinea to commit the necessary financial resources beyond the current 3% specified in national budget to enable effective implementation of the National Agricultural Development Plan. This will utilise existing knowledge and skills to improve rural income and generate sustainable development and economic growth.

Delegates were briefed by a delegation led by the Hon Joseph Watawi, Vice-President of Autonomous Bougainville Government, on the current business and security environment in Bougainville, and were encouraged to consider the business and investment opportunities in Bougainville.

**CAIRNS, QUEENSLAND
20 MARCH 2007**