

# U4 Expert Answer



## Papua New Guinea: overview of corruption and anti-corruption

### Query

**Please provide an overview of corruption and its causes in Papua New Guinea, including information on anti-corruption efforts undertaken in the country, challenges to reform and lessons-learnt from previous experiences**

### Purpose

This paper aims to provide an overview and analysis of corruption and anti-corruption efforts in Papua New Guinea.

### Content

1. Overview of corruption in Papua New Guinea
2. Governance structure and anti-corruption efforts in Papua New Guinea
3. References

### Caveat

There is limited information focussing specifically on the causes of corruption in Papua New Guinea, on challenges to reform and lessons-learnt from anti-corruption efforts in the country. This paper provides an overview of the current situation that can help understand the challenges to fight corruption in the country.

### Summary

Corruption in Papua New Guinea is widespread and endemic, penetrating all levels of society. This situation is reflected in Papua New Guinea's poor performance in most areas assessed by governance indicators. Official corruption and the misappropriation/theft of public funds are seen as the most significant governance issues of the country.

Papua New Guinea's governance structure is rather comprehensive and the government has voiced its ambition to fight corruption. Anti-corruption efforts are nevertheless ineffective due to poor implementation of existing laws, considerable resource gaps and confusion over the overlapping responsibility of anti-corruption and law enforcement agencies.

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**Date:** 1 March 2013 **Number:** 370

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## 1. Overview of corruption in Papua New Guinea

### Background

Papua New Guinea's current governance situation and state of corruption are deeply rooted in the country's recent history and geography as well as in its economic and political situation.

Papua New Guinea gained independence from Australia in 1975, and is now part of the Commonwealth of Nations. The country's head of state is Queen Elizabeth II, represented by a Governor General, currently Sir Michael Ogio. Papua New Guinea maintains strong ties to Australia, its primary economic and political partner. Australia is also Papua New Guinea's main aid contributor. However, relationships with important Asian powers, as well as the USA, are also important for the country (France Diplomatie, 2012).

Politics in Papua New Guinea are characterised by high levels of corruption and instability. As of 2012, only one government completed the whole mandate for which it was elected. Political parties are very weak and fragmented. Elected officials rely on a very narrow base of support, and party discipline is non-existent. Historically, members of Parliament have easily changed political alliances after being elected or resigned from their party, significantly destabilising government coalitions (Bertelsmann Foundation, 2012).

A "constitutional coup" (Freedom House, 2012a) in 2011 removed Michael Somare from office as Prime Minister while he was abroad, replacing him with Peter O'Neill. The Supreme Court later declared the nomination unconstitutional and stated that Somare should be reinstated. None of the administrations backed down and Papua New Guinea was left with two prime ministers and two administrations, until O'Neill joined forces with Somare and was elected in the general elections of the summer 2012.

Papua New Guinea is the most important economic power of the Pacific islands region, due to its significant natural resources. The country has important reserves of hydrocarbons, gold, copper, nickel and timber. Agriculture also accounts for a large portion of the economy and has grown in recent years due to the use of cash crops such as palm oil, coffee, copra and cocoa (Bertelsmann Foundation, 2012). The economy of

Papua New Guinea operates with a very large informal economy (Bertelsmann Foundation, 2012). Despite its economic potential, Papua New Guinea remains a rather poor country. The wealth is not fairly redistributed, keeping large parts of the population in poverty. In 2011, the country ranked 153<sup>rd</sup> out of 183 on the Human Development Index and has one of the lowest literacy rates of the region (60%) (France Diplomatie, 2012).

### Main factors of corruption in Papua New Guinea

The reasons why corruption occurs are context-specific. They are embedded in a country's history, political context, social norms, administrative traditions, geographic and economic situation. In Papua New Guinea, a few particularities can be singled out as significant drivers of corruption: the prevalence of traditional practices, impunity as well as the resource wealth.

#### *History and traditional practices*

A number of Papua New Guinea's traditional cultural practices made their way into the country's modern bureaucracy and political system, creating opportunities for corruption.

The National Research Institute points specifically to the concepts of the "big man mentality" (system where reputation is maintained by sizeable wealth distribution), gift-giving and the "wantok" system (described below). These practices, applied to a modern state structure can lead to bribery, undue influence and nepotism, and politicians accused of corruption often defend themselves using the "traditional" argument.

The distinction between traditional gift-giving and bribery is an issue regularly addressed by many courts in the Pacific region, especially in the context of elections. Public and political positions give access to significant amounts of wealth, from natural resources revenue and aid, which can be redistributed to a leader's kin and constituency to maintain power and influence. Likewise, cronies benefit from being assigned to jobs and strategic positions (National Research Institute, 2007). During the 2012 elections, a proliferation of "money politics" was observed; huge amounts of money and gifts were distributed, especially in campaign houses and men's houses. Vote buying was reported in all electorates through gifts in form of money, food, pigs, boats trucks etc. (Haley & Zubrinich,

2013). 35% of the observers reported that bribery and intimidation happened to influence the choice of voters (Transparency International PNG, 2012).

### *Lack of adequate training and ethical standards in the public sector*

Before independence, the administration was staffed almost exclusively with Australian civil servants and, when Papua New Guinea gained independence in 1975, the latter had to be replaced by a local administration. This swift change did not allow for a transition period during which the new civil servants could receive adequate training. This situation hampered the well-functioning of the public administration. Corruption in the public sector rapidly became problematic and as corruption spread, fewer individuals were inclined to fight it (National Research Institute, 2007).

### *Impunity and lack of adequate governance structures*

The inefficiency of the law enforcement system, weaknesses of the judiciary and of the anti-corruption institutions (developed below) have created a situation of general impunity, facilitating the misappropriation of public funds by senior public officials. The feeling of impunity is illustrated by the fact that, until recently, corrupt officials did not feel the need to launder the proceeds of corruption abroad as prosecution risks were low (Sharman, 2012).

### *Natural resources*

Papua New Guinea is a resource-rich country whose economy heavily depends on its primary sector. The country has large reserves of natural resources but the revenues from their exploitation have not resulted in substantial social or human development (Sharman, 2012).

Observers agree that Papua New Guinea's mineral wealth has benefited the political elites more than the society as a whole. The absence of regulation of the country's extractive industry has a significant impact on the environment as well, through, for example, the dumping of liquid mine waste in the rivers (Human Rights Watch, 2012).

The forestry sector offers an interesting overview of the various corruption risks that exist in Papua New Guinea when it comes to resource management. Transparency PNG, in its *Forest Governance Integrity Baseline Report*, outlines a number of corruption-risk areas: the

regulatory chain (undue influence and bribery of politicians), the licensing chain (bribery of the administration to fast track procedures, collusion between politics and business), the timber supply chain (undue influence on officials to obtain permits) and the revenue chain (bribery to avoid inspections, produce false declarations etc.). This example shows the kind of corruption risks that come with the exploitation of natural resources.

### *Extent of corruption*

Transparency International's 2012 Corruption Perception Index ranks Papua New Guinea 150th out of the 176 countries and territories assessed, with a score of 25 on a scale of 0 - 100, where 0 means that a country is perceived as highly corrupt and 100 means that a country is perceived as very clean. Papua New Guinea performs rather poorly in comparison to its neighbours, ranked 23<sup>rd</sup> out of 27 assessed countries in the Asia Pacific region.

Similarly, the World Bank's Worldwide Governance Indicators (WGI) place Papua New Guinea in the lowest quarter of the percentile ranks (11), on a scale of 0 to 100, in terms of control of corruption. Papua New Guinea's score has been relatively stable and alarmingly low in the last decade, after a drop in percentile rank between 2002 (23) and 2005 (8). Papua New Guinea's score on rule of law (24) also places the country in the lower quarter of the percentile ranks.

People in Papua New Guinea perceive corruption as a problem of their daily lives. Transparency International's Global Corruption Barometer (2011) shows that 85% of the respondents find that the level of corruption has increased in the last three years. The experience of corruption is comparatively low, with 27% of the respondents reporting having paid a bribe in the last twelve months.

## Forms of corruption

### *Petty and bureaucratic corruption*

Papua New Guinea's administration is burdensome and slow; experts qualify the country as a weak state that lacks the capacity of delivering the most basic services and policies. The state has not been able to contain the worsening security situation and health services are not adequately provided outside of the bigger cities (Bertelsmann Foundation, 2012). Starting a business in Papua New Guinea takes approximately 51 days, which is significantly more than the regional average of 36

days (IFC/World Bank, 2013). Poorly functioning public administrations can encourage the use of bribery to speed up or “grease” administrative processes; 25% of the respondents to the Global Corruption Barometer admitted having paid a bribe in the last twelve months to receive a service they are entitled to (Transparency International, 2011).

The police appear as the institution most prone to ask for bribes (21%), followed by medical services (15%) (Transparency International, 2011).

### *Grand corruption*

Corruption is one of the most significant problems at the highest levels of government and bureaucracy. Misappropriation of public funds is common and enormous sums of state money are siphoned off by politicians and civil servants (Bertelsmann Foundation, 2012).

According to the OECD, in Papua New Guinea the involvement of the government in the economy is significant and approximately 70% of the procurement of goods and services in the country is estimated to be government procurement. Government procurement is undertaken at the local, provincial and national levels (OECD, 2010).

Government procurement is required by law to be transparent and to go through a competitive tender. In 2011, a corruption scandal in the procurement of medical supplies to the country’s public health services hit the headlines. The procurement of medical supplies falls under the National Health Department (NDOH) which allegedly received kick-backs from pharmaceutical companies for years. Hospitals were voluntarily starved of medical supplies to create a situation of emergency allowing the NDOH to bypass normal procurement rules (IRIN News, 2011).

In addition, the strong tradition of “Wantok” (mutual assistance to kin) and the small number of businesses operating domestically create opportunities for corruption at all levels of government procurement (OECD, 2010).

### *Political corruption*

Papua New Guinea’s party system is very weak and political parties are perceived by the people as the most corrupt institution in the country, with 70% of the citizens surveyed by the Global Corruption Barometer qualifying them as corrupt or extremely corrupt. Political parties are followed closely by the Parliament, deemed

to be corrupt or extremely corrupt by almost 60% of the respondents.

Political parties are loosely organised, have limited popular support and political legitimacy, making elected officials more susceptible to undue influence and corruption, since they are not sufficiently held accountable by their party or constituency. Historically, it has been quite common for members of Parliament to switch political parties or resign from their party (Bertelsmann Foundation, 2012). This situation significantly weakens the political system and is the ground to the instability of government coalitions (France Diplomatie, 2012).

The *Organic Law on Political Parties and Candidates* (OLIPPAC) of 2003 aims to stabilize and frame the country’s political activities, making it more difficult for elected persons to switch alliances. This legislation also provides for more transparency and accountability in the political sphere, banning anonymous donations to parties or candidates, limiting possible contributions and requires political parties and candidates to report on their operational and/or campaign finances to the Registry of Political Parties (IDEA, 2012). Even though the OLIPPAC makes foreign contributions to political parties illegal, there have been several cases of candidates and party leaders getting financial support from foreign entrepreneurs in exchange for logging or exploitation permits (APG on Money-laundering, 2011).

Freedom House states that Papua New Guinea is an electoral democracy and electoral observers deemed the last elections in the country to be free and fair (US Department of State, 2011). In some districts however, elections caused more problems: in the highlands and certain coastal areas, intimidation, violence, vote buying, ballot rigging and clan voting were reported to be widespread (Bertelsmann Foundation, 2012).

Political loyalty in Papua New Guinea is driven mostly by personal, regional or clan ties (Freedom House, 2012a), and it is not uncommon for government officials to divert public resources to satisfy tradition clan obligations (US Department of State, 2011).

### *Nepotism and cronyism*

In its 2012 report on Papua New Guinea the Bertelsmann Foundation notes that the general level of trust among citizens of the country is rather low and that existing trust relationships are largely based on clan loyalties, called the “wantok” system or *wantokism*.

*Wantokism* plays a central role in the social, economic and political life of Papua New Guinea, and transfers traditional norms and tribal obligation into the modern bureaucratic system. Through the “wantok” system, kin and cronies are nominated to key positions; business procedures are fast-tracked; and state funds are embezzled and diverted to the needs of certain groups (National Research Institute, 2007). Applied to public and political affairs, the “wantok” system creates significant opportunities for corruption (APG on Money-laundering, 2011).

### *Kleptocracy and money laundering*

Corruption of senior public officials and their theft of public resources are the most serious corruption challenges faced by the country. Leaked US diplomatic cables describe Papua New Guinea as a country in which natural resources and development aid are used to enrich the political elites rather than being used for the social and economic development of the country (Sharman, 2012).

One of the most significant cases of theft of public funds in Papua New Guinea is known as the “Paraka scams” named after Paul Paraka, one of the lawyers that produced over 700 false claims for compensation against the State which were approved by government bureaucrats without the claims being approved by relevant courts. The Commission of Inquiry, who revealed the scandal, stated that the system had been “grossly abused allowing illegitimate and improper claims”. It estimates the amounts stolen from the public purse to reach 780 000 000 Kina, the equivalent to €280 000 000 (PNGExposed blog, 2010).

Papua New Guinea faces significant risks of money-laundering, according to the Asia Pacific Group on Money Laundering. The most important source of illicit proceeds is corruption, though the misappropriation of public funds, the unlawful attribution of exploitation licences in the extractives industry, illegal logging etc (APG on Money Laundering, 2011).

Papua New Guinea is not considered to be an important financial centre but the lack of law enforcement and oversight makes it an attractive money-laundering location (US Department of State, 2012a). Illicit proceeds from Papua New Guinea are also laundered abroad, particularly in Australia, through banks and purchase of property (ABC Radio Australia, 2012). A high level public official even declared that officials from Papua New Guinea are “using Australia as the Cayman Islands” (The Economist, 2013).

### *Organised crime*

Organised crime is increasingly becoming a problem in Papua New Guinea. The limited capacity of the customs authorities and border control makes it a preferred route for drug shipment (APG on Money Laundering, 2011). Papua New Guinea is also a source, transit and destination country for individuals subjected to human trafficking. Most common offenses are forced prostitution, sexual exploitation, domestic servitude and forced labour in mines, logging or fisheries. Women and girls are traded for political favours and votes. Human trafficking is facilitated by government officials who turn a blind eye in exchange for bribes (US Department of State, 2012b).

## 2. Governance structure and anti-corruption efforts in Papua New Guinea

With the reforms adopted over the last decade, Papua New Guinea’s governance structure is rather robust and comprehensive on paper both regarding laws and institutions. The government has recently taken a strong stand against corruption by adopting a National Anti-corruption Strategy 2010-2030 that should trigger reforms and innovations to fight corruption. It established a Plan of Action for 2012-2015 that would help implement the strategy in the short/middle term.

However, Papua New Guinea’s anti-corruption strategy faces major implementation challenges. Most anticorruption institutions are hampered by lack of sufficient resources (Transparency PNG, 2012b). Institutions are created without the necessary funds; not only are the entities understaffed but existing staff also lacks adequate education and training.

Another inadequacy related to anti-corruption efforts in the country is the confusion created by the overlapping laws and institutional responsibilities. Generally speaking, there is a massive gap between the formal rules and laws, that can seem comprehensive and uncompromising, and their implementation and impact (Sharman, 2012).

### Challenges to reform and lessons-learned

The current government has voiced its intention to take the fight against corruption seriously and adopted the National Anti-corruption Strategy to mark its good-will. Experts however state that it has so far been near to

impossible to carry out a successful anti-corruption policy and that lawmakers have never been serious about promoting good governance. The former Prime Minister admitted that in Papua New Guinea “corruption is systemic and systematic” and as long as the corruption scheme and status quo continues to benefit political leaders and the country’s elite there will be reluctance to undertake any kind of reform (Bertelsmann Foundation, 2012).

As highlighted above, the main issue related to corruption in Papua New Guinea is not the absence of rules but the lack of implementation of the existing framework. The shortcomings of the fight against corruption persist because of the lack of genuine assessment of the effectiveness and impact of anti-corruption policies, beyond the existence of rules and the number of cases prosecuted (Sharman, 2012).

## Legal framework

### *International legislation*

Papua New Guinea is a state party to the United Nations Convention Against Corruption (UNCAC) since the 16<sup>th</sup> of July 2007. Papua New Guinea was also part of the first group of countries reviewed in the framework of the Implementation Review Mechanism and the executive summary is publicly accessible on the UNODC website. Transparency International PNG and the UNCAC Coalition have also produced a review report on the implementation of UNCAC in 2012 stating that, despite some progress, the implementation of the Convention, Papua New Guinea is still below satisfactory (Transparency International PNG, 2012b).

Papua New Guinea is neither a state party to the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988, nor to the Palermo Convention on transnational organised crime of 2000.

### *National legislation*

Papua New Guinea’s *Criminal Code* criminalises active and passive domestic bribery. One deficiency pointed out by experts is the overlapping of bribery offenses in domestic law making it unclear which text should apply to a situation falling under the realm of several laws (ADB/OECD, 2010). Moreover, the legislation regarding active bribery is incomplete since it does not cover all forms of active bribery and is limited to the act of “offering a bribe”. In addition, bribery of foreign officials is not criminalised in Papua New Guinea. The

*Interpretation Act* includes legal persons in its definition of “person”, but there is no case law in which a company was prosecuted for bribery (Transparency International PNG, 2012b)

Money-laundering is a crime in Papua New Guinea under the *Proceeds of Crime Act*. Local news articles state that the latter permitted the first civil forfeiture order in Papua New Guinea, by which the state recovered over €350 000 that been embezzled through a corrupt procurement project.

Papua New Guinea’s Constitution and the *Organic Law on the Duties and Responsibilities of Leadership* of 1975 provides the framework regulating conflicts of interest for Ministers, civil servants and Members of Parliament, preventing them to engage in any enterprise that might give rise to a conflict of interest. It contains provisions regarding Ministers and Members of Parliament as well as their families, regarding government contracts, previous employment as well as receipt of gifts and hospitality. Papua New Guinea’s legal framework required members of the government, parliamentarians as well as civil servants to disclose their assets, to facilitate the detection of conflicts of interest and illicit enrichment. There is no restriction on entering the private sector after one’s mandate, leaving a possibility for the “revolving door” phenomena to occur.

Political financing in Papua New Guinea is regulated through the *Organic Law on the Integrity of Political Parties and Candidates* of 2003, creating the Commission on the Integrity of Political Parties and Candidates (previously named Central Fund Board of Management). Political parties receive public funding through this commission that comprises a part of the national budget, donations from citizens, non-citizens and international organisations, the latter not being allowed to contribute directly to political parties. Corporate donations to political parties is allowed in Papua New Guinea, and there is an annual limit to contributions of 500 000 PGK (app. 180 000€). Political parties ought to report on their finances to the Registry of Political Parties annually. Political parties and candidates need to report their campaign finances, including income and expenditures, within the three months following the results of a general election. Lastly, the *Organic Law on the Integrity of Political Parties and Candidates* also bans vote buying (IDEA, 2012).

Papua New Guinea does not yet have a legal or institutional framework to protect whistleblowers. A draft law on whistleblower protection is currently under review (Transparency International PNG, 2012b). The country's constitution is the only legal document referring to freedom of information. It grants the citizens reasonable access to official documents, but access is relatively restricted (World Bank, 2011).

## Institutional framework

### *Judiciary*

The Constitution of Papua New Guinea guarantees the independence of the judiciary and protects judges from political interference. By law, judges cannot be removed from office without justification (crime, political involvement etc.). They are, however, subjected to periodic re-appointments which exposes them to undue influence. Judges are generally recruited based on professional criteria and the confirmation is the responsibility of an independent body, the Judiciary and Legal Services Commission Appointments Authority (Global Integrity, 2007).

The judiciary is seen as largely independent (Freedom House, 2012a), but the institution lacks both financial and human resources. Moreover, corruption in the judicial system is a recurring problem, especially at lower levels. Several magistrates have been charged with corruption in the last years. The lack of adequate resources and integrity in the judicial system create a situation of judicial backlog and many public officials have managed to escape prosecution for abuse of power and corruption (Bertelsmann Foundation, 2012).

### *Sweep Task Force*

The Sweep Task Force was established in 2011 by a resolution of the Cabinet to investigate alleged corruption and mismanagement in government units. The task force is currently chaired Sam Koim from the Department of Justice and Attorney-General, and is composed among others of members from the police department, the Ombudsman Commission, the Justice Department.

The Sweep Task Force has been very active in uncovering corruption practices in Papua New Guinea. The task force indicates having registered over 170 complaints in 2012 with more than 50 of them under investigation (Radio New Zealand International, 2013). The task force took a strong stand, calling Papua New

Guinea a “mobocracy” and its politicians a mob (PNG exposed, 2012).

The office of the Sweep Task Force were vandalised in early 2013. The chairman stated that this was expected and that all files had been saved elsewhere (Radio New Zealand International, 2013).

### *National Anti-Corruption Alliance*

The National Anti-Corruption Alliance was created in 2004 as an alliance of agencies involved in the investigation and prosecution of fraud and corruption cases. It has been operating since 2006 and aims to effectively coordinate investigation and prosecution of corruption cases. The NACA brings together representatives from Department of Treasury, Office of the Auditor General, Customs, Internal Revenue Commission, Department of Personnel Management, Public Prosecutor, Solicitor General, Ombudsman Commission, Police, and the Department of Provincial and Local Government Affairs (Transparency PNG, 2012b).

The lack of funds of this alliance is an obstacle to successful investigation of corruption cases, as are the significant delays in the work of the judicial system. The NACA's staff is not adequately educated and trained (Transparency International PNG, 2012b).

### *Anti-Corruption Commission*

Papua New Guinea does not currently have an anti-corruption commission but Prime Minister Peter O'Neill announced, in early 2013, that a commission would soon be set up as part of the National Anti-corruption Strategy. He claimed that the commission will be independent and receive sufficient resources to undertake the task of investigating cases of passive and active bribery. This anti-corruption commission would take over the tasks for the Sweep Task Force (Radio New Zealand International, 2013).

### *Ombudsman Commission*

The 1975 Constitution of Papua New Guinea provides for the establishment of an Ombudsman Commission to promote good leadership and governance. The Chief Ombudsman and two Ombudsmen are appointed by the Governor General upon recommendation from by the Ombudsman Appointments Committee. This Committee comprises of five members, among which are the Prime Minister and the Chief Justice.

The Ombudsman Commission lacks resources and adequate powers; it investigates cases of political

leaders suspected of having engaged in corruption but its mandate to investigate ends when a politician resigns. Moreover, in 2010 the Parliament decided to amend the Organic Law on the Duties & Responsibilities of Leadership and the Constitution to revoke the Ombudsman Commission's powers to issue directives to public service leaders that were previously used to prevent the abuse of public funds (Transparency International PNG, 2010). The 2011 National Anti-corruption Strategy aims to strengthen its capacity.

### *Financial Intelligence Unit*

The Proceeds of Crime Act of 2005 establishes Papua New Guinea's Financial Intelligence Unit (FIU) within the police. The FIU receives and analyses cash transaction reports and suspicious transaction reports, refers them to the appropriate authority, produces statistics, identifies training needs and conducts investigations.

The FIU does not have sufficient resources to undertake its duties, creating serious backlogs and making the institution inefficient. Transparency PNG indicates that in 2012, when the UNCAC review report was published, the FIU had not yet completed any full investigation or prosecution. The FIU justified this inaction, during the production of the 2011 APG/OECD mutual evaluation report on anti-money laundering efforts, by referring to its archaic information management system as well as to the high level of corruption of the police and its lack of trust in the latter (APG on Money Laundering, 2011). News articles indicate that in February 2013 the government committed, to improve the country's anti-money laundering regime, both to better fight corruption and to avoid being blacklisted by the Financial Action Task Force (FATF).

### *The Office of the Auditor-General*

The Office of the Auditor General is a constitutional body in charge of inspecting, auditing and reporting the use of public money. The Auditor-General is nominated by the head of State with the advice of the National Executive Council. S/he reports directly to the Parliament and is not subject to the control of any authority in the exercise of her/his functions, according to the Constitution.

As many other cogs of Papua New Guinea's anti-corruption system, the Office of the Auditor-General lacks resources to carry out its tasks, and many government bodies fail to cooperate. The Audit Act of

1989 gives the Auditor-General the power to prosecute any individual guilty of misusing public funds. However, in 2008, the office of the Secretary of the Department of Justice and Attorney General informed the Office of the Auditor General that this section of the Act was invalid, making the Auditor-General effectively powerless. This happened shortly after the Auditor-General reported that approx. €300 million had been stolen from the country's development funds (Pacific Islands Forum Secretariat, no date).

### *Other actors*

#### *Informal institutions*

As mentioned above, in Papua New Guinea kinship and clans play a significant role in interpersonal trust relationships. Customary/traditional law is recognised in the Constitution of the country (UNICEF, no date). With about 85% of the population living in rural areas, community-based traditional forms of justice have a critical function, in many communities in Papua New Guinea (AusAid, 2008). Minor disputes are handled through traditional informal means, such as negotiation/mediation by kin, religious leaders or the local "big man" (Jowitt & Cain, 2010). Traditional dispute resolution mechanisms vary from one community to the other but, in general, encourage the reparation of damaged social relations, through payments of compensations etc. (UNICEF, no date).

Traditional forms of justice in Papua New Guinea are recognised as effective dispute resolution systems by many international organisations. UNDP, for example, supports Melanesian conflict resolution approaches to bring opposed parties to peace (UNDP, 2012). These informal institutions present weaknesses nevertheless. UNICEF points to the fact that they do not include safeguards against violations of human rights, especially regarding children and women, that they are rather inconsistent and that there is a strong risk of partiality and corruption of decision-makers in the community.

#### *Media*

The Constitution of Papua New Guinea guarantees freedom of expression and of the media, but the country does not have an access to information law. Media in the country is quite vibrant and the ownership structure is diversified, neutralising potential attempts by media owners to manipulate the information (Bertelsmann Foundation, 2012). It is important to note that PNG's most circulated daily newspaper is owned

by Malaysian logging giant Rimbunan Hijau that dominates 80% of the enormously corrupt forestry sector (Freedom House, 2012b).

Harassments and threats against journalists as well as attempts to interfere in their work happen occasionally in Papua New Guinea, especially in the context of investigative journalism uncovering corruption scandals. The relations between media and government became increasingly tense with the constitutional coup of 2011 (Freedom House, 2012b).

The Media Council of Papua New Guinea (MCPNG) serves as an interest group pressuring the government for increased freedom of the press and manages a complaints mechanism. This entity also developed a code of ethics for journalists. The reputation of the MCPNG was tainted by allegations of corruption when its executive director was suspended for fraud in 2011 (Freedom House, 2012b).

The government does not represent an obstacle to access the internet but the geography and infrastructure limit it materially, with a penetration of about 2% in 2011 (Freedom House, 2012b).

### *Civil society*

Papua New Guinea has an active civil society, with a large number of interest groups and NGOs. The constitution provides for the right to assembly and associations, and the government does generally not restrict it (Freedom House, 2012a). Civil society organisations operate in various sectors and many are particularly active in the protection of the environment, which is partly a consequence of the exploitation of the country's natural resources. In 2010, a group of CSOs announced the launch of Publish What You Pay Papua New Guinea aiming to improve transparency in the extractives industry and to advocate for the adoption of EITI in Papua New Guinea (PWYP, 2011).

Despite the existence of many organisations, experts recognise that only a handful of them have proper access to the power circles, giving them the possibility to influence policy. Most CSOs remain excluded from decision-making processes and limit their action to providing social services (Bertelsmann Foundation, 2012).

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