

Uncivil Society

A review of activist NGOs in PNG

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ITS GLOBAL

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Acronyms & Abbreviations

| | |
|---------|---|
| ACF | Australian Conservation Foundation |
| ADB | Asian Development Bank |
| AusAID | Australian Agency for International Development |
| BCL | Bougainville Copper Limited |
| BftW | Bread for the World |
| BMU | Federal Environment Ministry (Germany) |
| BRG | Bismarck Ramu Group |
| CELCOR | Centre for Environmental Law and Community Rights |
| CI | Conservation International |
| CM | Conservation Melanesia |
| CA | Conservation Area |
| CSO | Civil Society Organisation |
| EED | Church Development Services (Germany) |
| EIA | Environmental Impact Assessment |
| ELC | Environmental Law Centre |
| ENGO | Environmental Non-Government Organisation |
| FOEI | Friends of the Earth International |
| FORCERT | Forest Management and Product Certification Service |
| FPCD | Foundation for People & Community Development |
| GEF | Global Environment Facility |
| GEF SGP | Global Environment Facility Small Grants Programme |
| GRI | Global Reporting Initiative |
| ICAD | Integrated Conservation and Development Projects |
| ICCO | Interchurch Organisation for Development Cooperation |
| IDA | International Development Association |
| IUCN | International Union for Conservation of Nature |
| MPI | Minerals Policy Institute |
| MTDP | Medium Term Development Plan |
| NANGO | National Alliance of Non-Government Organisations |
| NGO | Non-Government Organisation |
| NORAD | Norwegian Government Agency for Development Cooperation |
| NZAID | New Zealand Agency for International Development |
| OD | Operation Dagsverk |
| ODA | Official Development Assistance |
| OECD | Organisation for Economic Cooperation and Development |
| PFMC | Provincial Forest Management Committee |
| PGK | Papua New Guinea Kina (real) |
| PMIZ | Pacific Marine Industrial Zone |
| PNG EFF | Papua New Guinea Eco-Forestry Forum |
| PNG | Papua New Guinea |
| PNGFA | Papua New Guinea Forest Authority |

| | |
|-----------|--|
| PwM | Partners with Melanesians |
| Ramu NiCo | Ramu Nickel Cobalt Mine |
| RAN | Rainforest Action Network |
| RCF | Research & Conservation Foundation |
| RFN | Rainforest Foundation Norway |
| RH | The Rimbunan Hijau (PNG) Group |
| SABL | Special Agriculture Business Leases |
| SADP | Smallholder Agriculture Development Projects |
| SFU | Sustainable Forest Use |
| SIA | Social Impact Assessment |
| TNC | The Nature Conservancy |
| UNDP | United Nations Development Program |
| UNEP | United Nations Environment Programme |
| USD | US Dollar (real) |
| WMA | Wildlife Management Area |
| WWF | Worldwide Fund for Nature |

Executive Summary

Non-Government Organisations (NGOs) are highly visible in Papua New Guinea, particularly those that are political activists. Since the year 2000 these organisations have received at least PGK 194 million (USD 82 million) in foreign funding, almost all of which supports campaigns to restrict the development of natural resource industries in PNG.

The Papua New Guinea (PNG) economy is currently booming following a decade of sluggish economic growth up to 2007. Despite this, PNG's progress in reducing poverty has been slow. In education, only around 55 per cent of PNG's school-age children are enrolled for primary education. Infrastructure development has stagnated. Only 10 per cent of Papua New Guineans have access to electricity and urban electric supplies are intermittent and of low quality. Other infrastructure assets – public transport, roads, civil aviation -- have deteriorated such that ordinary people have reduced access to basic services and business is disadvantaged.

Papua New Guinea's Government has identified its development priorities to overcome these problems. There are four priorities: ensuring fiscal and monetary stability, unlocking land for development; normalising law and order problems; and establishment of infrastructure connectivity.

These priorities are dependent upon development of primary industries as a key source of GDP growth and government revenue. Key primary sector policy and output targets have been set. These include:

- Fisheries – Use of the Pacific Marine Industrial Zone (PMIZ) to facilitate a 250 per cent increase in catch value by 2015;
- Agriculture – use incentives to have local landowners release land for agricultural purposes; triple palm oil production by 2030
- Minerals and mining – Doubling of mineral exports by 2030; doubling of operational mining sites to 18 by 2030 and the commencement of operations for three sea-bed mining sites
- Petroleum – Increased foreign investment in the petroleum sector
- Forestry – Establishment of 150,000 ha of forest plantations by 2025; significant increase in processed exports; maintenance of a sustainable and profitable forest industry.

Despite this, Papua New Guinea's primary industries have been the regular targets of campaigns by Western-based activist groups. Historically these groups have concentrated upon the forestry and mining sectors. More recently, they have focused upon agriculture and fisheries.

There are a number of key NGOs working in PNG that have development objectives that are incongruous with PNG's broader development goals.

They generally rely upon grants and disbursements from international organisations. These funds are often used for specific activities that are likely to be aligned with the policy objectives of the donors. The priorities of international private donors vary. However, a number of high priority donors have skewed their programs towards environmental outcomes and downplayed PNG's long-term development goals.

This report estimates that significant levels of funding have been disbursed in programs in Papua New Guinea for NGO projects that work against the nation's long-term development prospects and directly undermine PNG's development objectives.

The data and research in this report indicates that this funding is primarily being used for what could be considered Western interests.

This report recommends that:

- PNG-based NGOs exhibit greater transparency in their programs, specifically naming overseas entities that are funding programs;
- International NGOs working in PNG undertake an annual self-assessment of their programs on the ground that assesses the alignment of their activities with PNG's development goals;
- International donors that are funding programs in PNG should assess grant applications against PNG's development goals and prioritise them accordingly.

The groups described in this report have done little to improve the daily lives of Papua New Guinea's citizens. If anything, they have simply created a cottage industry that is reliant upon foreign handouts.

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1. Introduction

There are a large number of NGOs that operate in PNG and deliver important social services – education, health care and services for women and children. They make a valuable contribution to the people of PNG and are not the subject of this report.

The term “NGO” has become associated with what we term “activist” NGOs which attract more attention and promote a set of policies that are advanced by those who style themselves as “civil society”. They cohere loosely around a set of values that contend that established organizations for managing society – government, democratic institutions and business – don’t adequately represent or advance important interests or ‘voices’ in society and that “civil society” fills that gap. This broad philosophy is reflected in Monbiot’s “The Age of Consent.”¹

They are very much a creature of modern, affluent societies where poverty and underdevelopment, lack of democratic institutions or representative government and law and order are not leading issues. Their concerns typically are improving the environment, altering the nature of representative government and pressuring business to advance social goals. In the last 20 years they have increasingly focused on promoting these activities and interests in developing countries.

Research for this report has revealed that, with few exceptions, the activist NGO groups which advance these goals in developing countries, while constituted as indigenous or national bodies, are funded and often directed, by organizations based in industrialized economies and advance their philosophies.

In developing countries like PNG, the national problems facing society are quite different and are shaped by factors not present in most advanced economies – low prosperity, underutilization of national resources, poor infrastructure, low educational and social welfare standards, poor standards of governance, weak environmental management and high levels of corruption and, frequently, political instability.

The formal priorities of national governments in developing countries, including PNG, are to address these issues. They are also a focus of aid programs.

On the other hand the programs of activist NGOs are much more narrowly focused and unerringly reflect the narrower interests of related NGO groups operating from industrialized economies. The purpose of this report is to review these activities and assess them for their contribution to the condition and welfare of Papua New Guinea.

¹ Monbiot, G (2003), “The Age of Consent: A Manifesto for a New World Order,” Flamingo, London.

2. Development Priorities in Papua New Guinea

2.1 Papua New Guinea's Economy

PNG's economy suffered from sluggish economic growth in the decade leading up to 2007. Since then it has been recording annual growth of around 6-7 per cent over the past five years. This has been driven by growth in government revenue, which has risen in line with increased profits from existing mining and oil projects and increased global commodity prices.²

The announcement of a number of LNG (liquefied natural gas) projects has also boosted confidence in the country.

PNG's fiscal health permitted the government to reduce public debt by almost half (as a proportion of GDP) between 2002 and 2008.

Despite this progress, public sector reforms have been slow. Deregulation in the telecommunications and aviation sectors have not been followed by similar reforms in other areas.

Conditions for doing business in Papua New Guinea have deteriorated over the past few years according to World Bank indicators. In 2005 the country ranked 55th of 181 economies for doing business; it was ranked 101st in the most recent survey in June 2011.³

The reliance upon mining revenues means that the economy remains exposed to global economic downturns, particularly in resource demand.

2.2 Poverty reduction in Papua New Guinea

PNG's progress in reducing poverty has been slow. In education, around 55 per cent of PNG's school-age children are enrolled for primary education. At secondary level this drops to around 20 per cent. Mean schooling is approximately 5.1 years. Data for government expenditure on education is not available.⁴

In health, life expectancy has been increasing year-on-year to around 63. Mortality rates for children under five have been falling but are almost double those in other countries in the region, such as Solomon Islands and Indonesia. Incidence of HIV has been steadily increasing over the past decade to almost one per cent of the total population.⁵

² Asian Development Bank (2011). *Key Indicators for Asia and the Pacific 2011*. ADB, Manila.

³ International Finance Corporation; World Bank (2010). *Doing Business 2011: Making a Difference for Entrepreneurs - Comparing Business Regulation in 183 Economies*.

⁴ World Bank (2011) *World Development Indicators*. IBRCD, Washington.

⁵ Ibid.

Infrastructure development has stagnated. The percentage of urban population with access to improved water sources has declined over the past decade and has not changed in rural areas. Access to improved sanitation has also declined in both urban and rural areas.⁶

According to the ADB, only 10 per cent of Papua New Guineans have access to electricity and urban electric supplies are intermittent and low quality. The Bank also notes that other infrastructure assets – public transport, roads, civil aviation -- have deteriorated such that ordinary people have reduced access to basic services and businesses are disadvantaged.⁷

2.3 PNG's Development Priorities

Papua New Guinea's Government has identified its development priorities in three key documents.

The Papua New Guinea Development Strategic Plan 2010-2030⁸ sets out a framework for four consecutive five-year plans, with specific objectives and strategies. The seven objectives relate to: strategic planning; systems and institutions; human development; wealth creation; security and international relations; environment and climate change; and partnership with churches for integral human development.

The Papua New Guinea Medium-Term Development Plan 2011-2015⁹ (MTDP) is the first of the five-year plans and sets out in greater detail the short-term development goals for the five year period outlined in the Strategic Plan. The current document nominates seven priority spending areas: transport infrastructure maintenance; promotion of income earning opportunities; basic education; adult learning; primary health care; HIV/AIDS prevention; and law and justice.

The Papua New Guinea Vision 2050¹⁰ aims to have PNG ranked in the top 50 nations in the United Nations Human Development Index by 2050. It nominates seven long-term priority areas: human capital development, gender, youth and people empowerment; wealth creation; institutional development and service delivery; security and international relations; environmental sustainability and climate change; spiritual, cultural and community development; and strategic planning, integration and control.

The foundation for growth in the MTDP is twofold: addressing supply-side constraints and expansion of productive capacity. It nominates four priorities to achieve this: ensuring fiscal and monetary stability, unlocking land for development; normalising law and order problems; and establishment of infrastructure connectivity. These four are considered essential for attracting investment to major sectors of the economy. Other priorities listed are: encouraging competition, education, and transport and the provision of key public utilities of electricity, clean water and sanitation. It also notes that public utilities facilitate investment, but costs for establishing utilities are lower when

⁶ Ibid.

⁷ Asian Development Bank (2009) *Country Strategy and Midterm Review: Papua New Guinea 2006-2010*. ADB, Manila.

⁸ Papua New Guinea Department of National Planning and Monitoring (2010) *Papua New Guinea Development Strategic Plan 2010-2030*. Department of National Planning and Monitoring, Waigani.

⁹ Papua New Guinea Department of National Planning and Monitoring (2010). *Papua New Guinea Medium-Term Development Plan Department of National Planning and Monitoring*, Waigani

¹⁰ National Strategic Plan Taskforce (2010) *Papua New Guinea Vision 2050*. Papua New Guinea Treasury, Port Moresby.

land is accessible, crime is not an impediment, funds are well managed, and providers are competing.

In all documents, clear priority is given to Papua New Guinea's economic development through the development of primary industries as a key source of GDP growth and government revenue. All three documents also place significant emphasis on employment creation over the medium and long terms. The PNG Government expects around 290,000 jobs to be created between 2011 and 2015. It attributes most of the job growth directly to resource projects (mining and gas) and associated services (e.g. construction).

The MTDP outlines specific objectives for major industrial sectors. Key primary sector policy and output targets are also stated. Highlights from the document are listed below:

- Fisheries : Use of the PMIZ to facilitate a 250 per cent increase in catch value by 2015;
- Agriculture: Use incentives to have local landowners release land for agricultural purposes; triple palm oil production by 2030
- Minerals and mining: Doubling of mineral exports by 2030; doubling of operational mining sites to 18 by 2030 and the commencement of operations for three sea-bed mining sites
- Petroleum: Increased foreign investment in the petroleum sector
- Forestry: Establishment of 150,000 ha of forest plantations by 2025; significant increase in processed exports; maintenance of a sustainable and profitable forest industry.

2.4 The role of the Private Sector in Development

The role of the private sector in economic development in PNG is often overlooked. This has been acknowledged by development agencies, particularly AusAID which has called for greater private sector engagement in development outcomes in Papua New Guinea. Australia's broad review of its aid programs in 2011 noted that AusAID's private sector engagements were few, and that its only engagement with the private sector was an informal dialogue with the Australia-based Australia-PNG Business Council.¹¹

Former AusAID director in Papua New Guinea, Margaret Callan, has called for a greater understanding of the contribution of the private sector to development outcomes, and has proposed further work to broaden this understanding in Papua New Guinea.¹²

Enterprises generally recognise that they must provide basic services and amenities in operational areas in developing countries for them to be viable and profitable over the long term.

However, public scrutiny of private sector operations in developing countries by civil society actors (e.g. non-government organisations, campaign groups) focuses almost exclusively on negative outcomes.

¹¹ Commonwealth of Australia (2011) *Independent Review of Aid Effectiveness*. Australian Agency for International Development, Canberra.

¹² Callan, M (2012), *What do we know about the private sector's contribution to development?* Development Policy Centre Discussion Paper #11, Crawford School of Public Policy, The Australian National University, Canberra.

Consequently, data for the broader contribution of the private sector rarely goes beyond company data provided through reporting initiatives such as the Global Reporting Initiative (GRI), and very occasionally the sectoral level.

One study of forestry operations in Papua New Guinea found that spending by one company in Western Province on health, education and road infrastructure outstripped spending by local level and provincial governments. In some local level government areas, the company was the sole provider of education, health and transport infrastructure.¹³

In this regard, the contribution of the private sector to PNG's development goals is twofold. First, the private sector contributes to the broader economy through the creation of jobs and economic output. Second, the investments by the private sector in areas such as forestry, contribute to the establishment of infrastructure – one of PNG's fundamentals for increased growth.

¹³ ITS Global (2009). *The Economic Contribution of Rimbunan Hijau's Forestry Operations in Papua New Guinea*. ITS Global, Melbourne.

3. The campaign against development in PNG

3.1 Campaigns against PNG's primary industries

Papua New Guinea's primary industries have been the regular targets of campaigns by Western-based activist groups. Historically these groups have concentrated upon the forestry and mining sectors. More recently, they have focused upon the agriculture and fishing industries. The campaigns are outlined below.

3.1.1 Campaigns against forestry

There has been small scale opposition to commercial forestry operations in PNG since the 1970s. This opposition was primarily in response to the World Bank's recommendation in 1964 that PNG develop its commercial forestry industry as a means of attaining development goals, and to the establishment of the Gogol wood chipping project in Madang Province in 1975.¹⁴

Large-scale opposition to commercial forestry did not develop until 1986, when the *Times of Papua New Guinea*, commenced publishing a series of articles that vilified foreign investors and their dominance of the forestry sector.¹⁵ Fear and vilification of foreign businesses – particularly Chinese¹⁶ – has since framed forestry interests in PNG.¹⁷

Newspaper reports in *The Times* were in part responsible for the initiation of the Barnett Commission of Inquiry into the forestry industry in 1988.¹⁸ The Barnett Inquiry squarely blamed the government's lack of capacity and governance for the state of the forestry sector, which was plagued by allegations of bribery and corruption.¹⁹

The Barnett Inquiry's recommendations led to the drafting of the new *Forestry Act (1991)*, which, in turn, led to the establishment of the Papua New Guinea Forest Authority (PNGFA) comprising the National Forest Board and Provincial Forest Management Committees (PFMC) in all 19 provinces.

¹⁴ Filer, C., Skehran N. (1988), *Loggers, donors and resource owners: Policy that works for forests and people. Series no. 2: Papua New Guinea*, National Research Institute, Port Moresby and International Institute for Environment and Development, London. p. 88

¹⁵ See for example Grynberg, R. (1987), *Our logs are virtual giveaways*, *Times of Papua New Guinea*, 14 May, Port Moresby

¹⁶ Crocombe, R. (2007) *The Fourth Wave: Chinese in the Pacific Islands in the Twenty-First Century*, CSCSD Occasional Paper Number 1, May, <http://rspas.anu.edu.au/cscsd/occasional_papers/cscsd_op1_5_chapter_2.pdf>

¹⁷ Ichikawa, T., (2006), *Chinese in Papua New Guinea: Strategic Practices in Sojourning*, *Journal of Chinese Overseas*, 2, 1: May, <http://muse.jhu.edu/demo/journal_of_chinese_overseas/v002/2.1ichikawa.pdf>

¹⁸ Joku, H (1995), *The Times of Papua New Guinea: An Investigative Tradition*, *Pacific Journalism Review*, Vol 2 No 1, November.

¹⁹ Barnett, T.E. (1989). *Report of the Commission of Inquiry into Aspects of the Forest Industry: Final Report*. Unpublished report to the Government of Papua New Guinea, p 375. "... the State, which is the constitutionally appointed guardian of the forests, has failed to assert the guiding principles under which this trust is to be administered."

The Act prescribed a member of a non-governmental organization (NGO) for membership of the board and each committee.

This recognition of NGOs was facilitated by the support of the World Bank for the National Alliance of Non-Government Organizations (NANGO) in 1990. The World Bank had pinned its hopes on NGOs playing a large role in forestry reform.

However, observers considered this greater entrenchment of NGOs was counterproductive to development objectives. International green organizations such as Greenpeace and the Australian-based Rainforest Information Centre and New Guinea Island Campaign Group found themselves at a fundamental disconnect with PNG's landowners, the PNG Government and even the World Bank.²⁰

The second phase of the National Forestry Conservation and Action Plan instituted in 1990 designated NGOs the responsibility of engaging landowning communities as part of a Technical Support Project. However, a review of that project made it plain that the conservation objectives of international NGOs clashed with the development wants and needs of local communities, whose needs are "simple, modest and consistent – roads, schools and health centers"²¹ – everything the current forestry industry provides via Project Management Agreements.

International NGO involvement in forestry has since favored developed world environmental ideals rather than basic development objectives to help Papua New Guinea's poor.²²

The long-running campaign against forestry in Papua New Guinea has largely been managed by Greenpeace Australia Pacific, which has effectively subsumed the role of NANGO since the mid-1990s.²³ Its role in Papua New Guinea as a protest organization rather than a meaningful participant in the forest industry culminated in a well-coordinated campaign against Papua New Guinea's largest, and arguably one of the most environmentally-responsible, forestry operators - the Rimbunan Hijau (PNG) Group.

3.1.2 Campaigns against mining

Opposition to mining projects in Papua New Guinea was catalyzed by environmental problems at a number of large-scale international mining projects.

Papua New Guinea's stable political environment and policy framework during the 1970s and 1980s made the country a relatively attractive destination for mining investment. As a result, a number of large scale operations commenced following exploration and establishment of mines. However, some key events led to the growth of coordinated campaigns against mining in Papua New Guinea.

²⁰ Filer, C. op. cit. p. 111

²¹ Taylor, Siagaru, Millett and Hill (1994). *Review of the National Forest and Conservation Action Programme*. Port Moresby: United Nations Development Program

²² See for example, WWF (2000) *A Future for our Forests: Strategies for Community-Based Conservation in Papua New Guinea*. In this analysis WWF argues that small-scale eco-forestry is both economically viable and sustainable, despite requiring donations for business establishment, marketing and certification, as well as tax subsidies and a quantification of conservation values for accounting purposes.

²³ Filer, C, op. cit. p. 269

First was the closure of the Bougainville Copper Limited's (BCL) Panguna mine in 1989 following widespread political unrest and the emergence of an independence movement in Bougainville. Second was the legal action taken against BHP by local communities following claims of environmental damage in the Fly River region surrounding the company's Ok Tedi mine.

In the case of Bougainville, what was a localized political problem was conflated in the mind of the public outside of Papua New Guinea with the actions of large corporations operating in Melanesia.²⁴ Similarly, the claims made against BHP were carefully publicized in Western media as part of a broader narrative against resource exploitation in Papua New Guinea and the Asia Pacific region.²⁵

The Ok Tedi legal case coincided with the establishment of the Australia-based Mineral Policy Institute, which has been the key vehicle for campaigning against mining operations in Papua New Guinea.

It has been observed that the proximity to and the headquartering of a number of major miners in Australia has made it the logical starting point for anti-mining campaigns in Papua New Guinea; and that similarly, global anti-mining campaigns in PNG are facilitated by Western interests rather than local communities.²⁶

More recently, campaigns have been launched against Chinese mining interests in Papua New Guinea, particularly the Ramu Nickel-Cobalt (NiCo) mine.

3.1.3 Campaigns against agriculture

Campaigns against agricultural developments are a relatively new phenomenon and have been a direct response to the development of Papua New Guinea's first major palm oil plantations.

Opposition campaigns to palm oil developments commenced in 2006, led primarily by the Centre for Environmental Law and Community Rights (CELCOR), with the backing of the Australian Conservation Foundation (ACF).²⁷ The initial campaigns arguably attempted to piggyback off larger campaigns against palm oil developments in Indonesia and Malaysia.

In 2010, the US-based Rainforest Action Network (RAN) campaigned directly against Cargill's operations in Milne Bay.²⁸ These operations were sold in early 2010 to a non-US company, and subsequently RAN's campaign activity ceased.

More recently the campaigns have more broadly attacked the establishment of areas for agricultural development under the special agricultural business leases (SABLs) that have become a popular form of tenure in Papua New Guinea.

²⁴ Layton. S (1992) *Fuzzy-Wuzzy Devils: Mass Media and the Bougainville Crisis*. The Contemporary Pacific, Volume 4, Number 2, Fall 1992, 299-323

²⁵ Hyndman. D (2001) *Academic Responsibilities and Representation of the Ok Tedi Crisis in Postcolonial Papua New Guinea*. The Contemporary Pacific, Volume 13, Number 1, Spring 2001, 33-54

²⁶ Kirsch. S. *Indigenous movements and the risks of counter globalization*. American Ethnologist, Vol. 34, No. 2, pp. 303-321

²⁷ Australian Conservation Foundation (2006). *Oil palm plan threatens Kokoda communities*. ACF, Carlton.

²⁸ Rainforest Action Network. 2010. *Commodity Colonialism. A Case study of Cargill's palm oil operations in Papua New Guinea*. Rainforest Action Network, San Francisco.

3.1.4 Campaigns against fisheries and other marine activity

Papua New Guinea's fisheries have increased production and exports over recent years; this has prompted an upswing in NGO campaigns against commercial fishing activity in Papua New Guinea. The primary target of the activity has been large-scale tuna fishing and processing.

The establishing of the PMIZ in Madang and its potential to increase the processing capacity of PNG's fishing industry has also prompted advocacy groups such as Greenpeace to campaign against commercial fishing in the Pacific.

Led by Worldwide Fund for Nature (WWF) PNG, Conservation International (CI) and The Nature Conservancy (TNC), advocacy groups in PNG are strongly supporting a regional marine conservation program known as the Coral Triangle Initiative. This program aims to develop a huge marine protected area between Indonesia, Malaysia, Philippines, East Timor, PNG and the Solomon Islands which will create environmental platforms to restrict fishing and other marine activities in these areas.

3.2 Development priorities of environmental NGOs in Papua New Guinea

There are a number of key NGOs working in Papua New Guinea that have development objectives that are incongruous with PNG's broader development goals.

3.2.1 International NGOs

Despite paying lip-service to 'sustainable development', an analysis of the positions of international NGOs indicates that their primary goals are either conservation or undermining the private sector in Papua New Guinea.

Greenpeace, for example, has declared a blanket objection to 'industrial scale' activity in forest landscapes, whether this is mining, forestry or agriculture.²⁹ It has also called for zero gross deforestation by 2020 in a number of its campaigns – this is incongruous with nations that have relatively high population growth.³⁰

The Rainforest Action Network (RAN), like Greenpeace, is an advocacy organisation rather than a conservation organisation. RAN has been criticised on numerous occasions for exploiting indigenous and local communities in the Asia Pacific region for its own fundraising purposes.

WWF is one of the world's most prominent conservation organisations. The tensions between its conservation priorities and economic development in poor countries have been well-documented. WWF programs have been criticised publicly for involvement with mass evictions from conservation areas in Africa. WWF officers in Indonesia have also come under direct attack from local communities whose forest access was blocked by WWF programs.³¹

3.2.2 Local campaign groups

Local campaign groups in Papua New Guinea generally rely upon grants and disbursements from international organisations. These funds are often used for specific activities that are likely to be aligned with the policy objectives of the donors.

Research has shown that a significant proportion of funding for local groups comes from outside of Papua New Guinea. This is demonstrated in the following section and case studies.

An analysis of data from non-PNG donors also indicates that their priorities for Papua New Guinea are skewed towards environmental rather than social and economic outcomes.

²⁹ Greenpeace (2009). *Greenpeace Policy on IFLs*. Greenpeace, Netherlands.

³⁰ Geist H. J., Lambin E. F (2002). *Proximate causes and underlying driving forces of tropical deforestation*. *BioScience*, 52(2):143-50

³¹ Stecklow, S. (2006) *Environmentalists, Loggers Near Deal On Asian Rainforest*. *Wall Street Journal*, February 23 2006.

The PNG Eco-Forestry Forum (PNG EFF), for example, has had its legal costs for disputing forestry concessions funded by the Rainforest Foundation Norway (RFN).

Similarly, the Environmental Law Centre (ELC) has stated quite clearly that its on-ground actions are effectively dictated by its donors located outside of Papua New Guinea.³²

CELCOR launched a broad-brush attack on the forest industry in Papua New Guinea in 2007. The Melbourne-based Australian Conservation Foundation was a major funder.³³

3.2.3 International donors

The priorities of international donor groups vary between organisations. However, a number of high profile donors have given priority in their programs to environmental outcomes and downplayed or disregarded PNG's long-term development goals.

The US-based Packard Foundation spent at least PGK 11.7 million (USD 5 million) on PNG-based programs in the 5 years to 2010. Approximately PGK 9.8 million (USD 4.2 million) was for conservation programs; other programs for social and economic areas (including health and education) received approximately PGK 1.9 million (USD 825, 108).

The Dutch-based ICCO (Interchurch Organisation for Development Cooperation) contributed at least PGK 44.4 million (USD 19.5 million) to programs in Papua New Guinea between 2000 and 2009. Between 2002 and 2009, approximately PGK 28 million (USD 11.9 million) or 88 per cent of these funds were for conservation- and environment-related programs.

Rainforest Foundation Norway's global brief is completely environmental, with no clear social and/or economic objectives in its programs. Its programs – such as funding legal challenges to all forestry concessions in Papua New Guinea – indicate foreign environmental objectives take priority over domestic development objectives and the welfare of local communities.

³² Nancy Sullivan and Associates (2008). *Environmental Law Centre (ELC) Review*, commissioned by Rainforest Foundation Norway. December 2008

³³ Australian Conservation Foundation and CELCOR (2006). *Bulldozing Progress: human rights abuses and corruption in Papua New Guinea's large scale logging industry*. ACF, Carlton.

Sustainable development?

A number of international NGOs and their funding partners have supported development projects in PNG which have resulted in poor economic and environmental outcomes.

WWF

In 1996, WWF received funding from the Macarthur Foundation to support an 'eco forestry' initiative in the Kikori Basin. Few local communities were interested in participating in the initiative; the WWF company then sourced timber from another company, which was logging illegally in mangrove areas. Despite internal concern over illegality, the logging continued. The purchaser of the timber was the same merchant that purchased the Lake Murray timber in 2006.

Greenpeace in Lake Murray

In 2006 Greenpeace launched an 'eco timber' campaign and initiative at Lake Murray. It took two years for the project to produce and ship a single shipment of timber that went to a timber merchant in New South Wales. There have been no reports of shipments since then. The two PNG species now carried by that merchant are labelled as 'bad wood' by Greenpeace. In addition, a report by IGES, based in Japan, noted that eco-forestry initiatives were marred by non-payment of employees and sporadic work.

ACF and CELCOR

In 2006, the Australian Conservation Foundation (ACF) with the Centre for Environmental Law and Community Rights (CELCOR) launched a campaign attacking the timber industry for supposed human rights abuses. Despite an extensive report and online campaign, no single breach of human rights could be substantiated by the NGO.

Sources: Greenpeace, IGES, SMH

3.3 Patterns of Foreign assistance in PNG

There is an interesting difference between the content, sources and recipients of official development assistance and external contributions to activists NGOs in PNG. Most official aid overwhelmingly supports social and economic development needs. Most NGO funding is to further environmental objectives.

3.3.1 Official development assistance

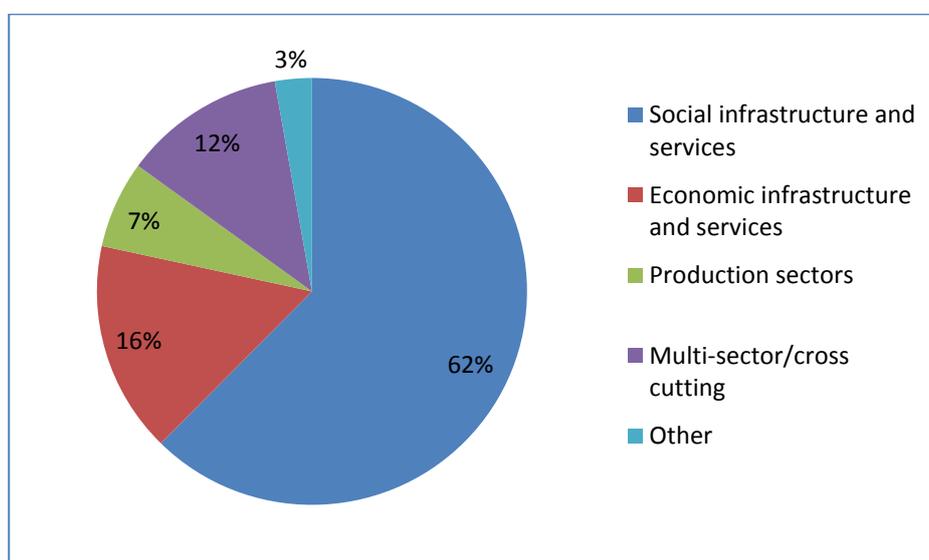
In 2010, Papua New Guinea received PGK 1.49 billion (USD 579.08 million) in total disbursements of official development assistance.³⁴

Australia is PNG’s largest donor. In 2010 the country donated PGK 1.04 billion (USD 406.01 million) or 70 per cent of the total gross disbursements to PNG. New Zealand and Japan contributed PGK 64.7 million (USD 25.08 million) and PGK 112.11 million (USD 43.45 million), respectively. Germany donated PGK 5.7 million (USD 2.2 million), the United States contributed PGK 5.9 million (USD 2.3 million) and the United Kingdom, PGK 3.5 million (USD 1.36 million).³⁵

Multilateral organisations were the second largest source of aid to PNG, contributing PGK 245.08 million (USD 94.97 million) in 2010. This was made up of contributions from EU Institutions, who donated PGK 125.67 million (USD 52.57 million); the Global Fund, which contributed PGK 19.23 million (USD 7.45 million); and the IDA which contributed PGK 22.47 million (USD 8.71 million).³⁶

The OECD classifies aid contributions by sector, including social infrastructure and services (for example, education, health and government and civil society), economic infrastructure and services (for example transport, energy, finance, communication, business services, etc.), production sectors (agriculture, trade, industry, tourism, trade, etc.), multi sector/cross cutting aid (for example environment protection, rural development, urban development, etc.), and a number of other sectors including humanitarian aid, action relating to debt and refugees. The distribution of ODA to PNG by key sectors for 2010 can be seen in the table below and in Annex 1.

3.3.2 Figure: Total aid to PNG by key sectors in 2010



Source: Organisation for Economic Co-operation and Development (2012), *Creditor Reporting System Database, International Development Statistics*, viewed 24 April, <<http://stats.oecd.org/Index.aspx?datasetcode=CRS1>>

³⁴ Organisation for Economic Co-operation and Development (2012), *Creditor Reporting System Database, International Development Statistics*, viewed 24 April, <<http://stats.oecd.org/Index.aspx?datasetcode=CRS1>>

³⁵ Organisation for Economic Co-operation and Development (2012), *Ibid.*

³⁶ Organisation for Economic Co-operation and Development (2012), *Ibid.*

3.3.3 GEF grants to PNG

The Global Environment Facility (GEF) is a financial mechanism that operates in collaboration with three implementing agencies (UNDP, UNEP and the World Bank). Established in 1991, it claims to be the largest funder of projects to improve the global environment.³⁷ The program focuses on projects that address six focal areas: biodiversity, climate change adaptation, climate change abatement, international waters, land degradation, persistent organic pollutants. Funds are contributed by donor countries.

According to OECD figures, GEF funding to PNG in 2009 was significant. In that year the GEF committed over PGK 27 million (USD 10.5 million) in grants to environmental programs in PNG.³⁸ In fact, the GEF has approved USD 34, 728, 691 in grants for nine national projects in PNG since 1991.³⁹ It has also leveraged over USD 63 million in co-financing. Over 92 per cent of these grants and 88 per cent of the co-financing funds were committed to projects focused on biodiversity, with the remaining money pledged to climate change and multi-focus initiatives. These projects were executed by PNG government departments and agencies in partnership with GEF implementing agencies. Unlike the GEF Small grants programme (discussed below), GEF grants are not directed to NGOs or civil society organisations.

3.3.4 Assistance to 'activist' NGOs

Research for this report estimates that since the year 2000 at least PGK 194 million (USD 82 million) has been disbursed in Papua New Guinea for NGO projects that work against the nation's long-term development prospects and directly undermine PNG's development objectives. The vast majority of these funds – over PGK 188 million (USD 79 million) - were provided by private foundations, international activist NGOs and Western government agencies. The remainder was contributed by the GEF Small Grants Programme (discussed in the following section).

The major sources of assistance to PNG's activist NGOs are international activist NGOs such as Greenpeace and the Worldwide Fund for Nature (WWF); private foundations in the United States, particularly the MacArthur and Packard Foundations and the Christensen Fund; the ICCO in the Netherlands, which draws around half its funding from the Dutch Foreign Ministry which administers official Dutch aid; and the Rainforest Foundation Norway. Assistance to specific projects administered by some of these organisations is also provided by the European Commission and the UK, Dutch, German, Australian and US Governments.

³⁷ Global Environment Facility (2011), *The Global Environment Facility*, viewed 1 May, <<http://www.thegef.org> >

³⁸ Organisation for Economic Co-operation and Development (2012), *Ibid*.

³⁹ See Annex 1, 7.2

Significant levels of funding have been committed by these organisations to conservation programs.⁴⁰

For example, the German Environment Ministry (BMU) provided PGK 20.4 million (USD 8.8 million) to Conservation International to set up a conservation area known as the YUS Indigenous Forest Reserve in 2008. The EU channels significant amounts of money into similar activities in PNG through groups such as WWF and local NGO, the Research & Conservation Foundation.

An assessment of funding from international NGOs is similarly revealing. Research indicates that Greenpeace Australia Pacific contributed at least PGK 35.5 million (USD 15.3 million) to activist projects in PNG between 2004 and 2010 through its 'Campaigns Pacific' program. WWF Australia provided an estimated PGK 22.5 million (USD 9.7 million) to various WWF programs in PNG between 2000 and 2011. This contribution was further supplemented by significant funding from WWF organisations in the UK and USA.

In PNG these funds generally end up supporting only a handful of local NGOs; those whose objectives are most closely aligned with the goals of western environmentalists. Such is the nature of the relationship between international activist NGOs and those on the ground in PNG.

Groups such as CELCOR, the PNG Eco Forestry Forum (PNG EFF), the Bismarck Ramu Group (BRG), the Forest Management and Product Certification Service (FORCERT) and the Research and Conservation Foundation (RCF) receive considerable funding from western interests. Greenpeace has virtually declared that it supports activist group Act Now, although this group does not provide details of its funding or funders.

Research indicates that CELCOR received funding of at least PGK 4.6 million (USD 2 million) from various sources including ICCO, IUCN Netherlands, the Macarthur Foundation, the Packard Foundation, RFN and Conservation International over a period of eight years.

The Bismarck Ramu Group received funding of PGK 7.5 million (USD 3.25 million) from the ICCO and Christensen Fund in 2002 and between 2008 and 2011, while the Research and Conservation Foundation was supported by the ICCO, AusAID and EU with funding of PGK 9.1 million (USD 3.95 million) for various projects in the years 2002, 2005 – 07.

There is evidence to suggest PNG's two major ENGO umbrella organisations, FORCERT and the PNG Eco-forestry Forum, are well supported by international NGO members WWF and Greenpeace as well as the ICCO, RAN, the DOEN Foundation⁴¹ and the European Union.

Detailed examples of funding links to activist NGOs in PNG can be found in Annex 1 and 2 of this report.

⁴⁰ Detailed examples of this funding can be found in Annex 1 and 2 of this report.

⁴¹ The DOEN Foundation is a grant giving organisation funded by several Dutch lotteries, including the Dutch National Postcode Lottery.

3.3.5 GEF Small Grants Programme (SGP) in PNG

In contrast to the general GEF grant-making mechanism, the GEF SGP provides small grants to environmental NGOs and community-based organisations focused on environmental conservation in developing countries. The SGP claims to have a presence in 122 countries and to have awarded more than 12,000 grants worldwide since 1992.⁴² The programme is funded by the GEF, implemented by the UNDP and executed by the UN Office for Project Services. GEF funding is approximately US\$401 million, while the project has raised US\$ 407 million from program partners. To receive funding, NGOs in developing countries must be involved in initiatives that fit into the six GEF focal areas, as outline in the previous section.

GEF SGP records indicate that just over PGK 6.3 million (USD 2.2 million) in funds has been granted to NGOs operating in PNG since 2000.⁴³ Of this total, around 55 per cent was committed to unspecified conservation activities, while 15 per cent contributed to specific anti-forestry initiatives or forest certification activities. The remaining funds were dedicated to marine conversation, capacity building for local NGOs and environmental legal support.⁴⁴ PNG NGOs to receive funding from the GEF SGP include CELCOR, Niugini Wildlife Society and the Village Development Trust.⁴⁵

⁴² GEF Small Grants Programme (2006), viewed 1 May, <<http://sgp.undp.org/>>

⁴³ GEF Small Grants Programme Database (2006), *GEF SGP Projects Database*, viewed 1 May, <<http://sgp.undp.org/index.cfm?module=Projects&page=AdvancedSearch>>

⁴⁴ A breakdown of GEF SGP funding by activity can be found in Annex 1, 7.3.

⁴⁵ A breakdown of GEF SGP funding to PNG NGOs can be found in Annex 1, 7.4

Follow the Money: the funding of NGO activists in PNG

Activist groups are funded by a number of international sources. These include private foundations, governments and NGOs.

ICCO (NL): At least PGK 44.4 million (19.5 million) to various local NGOs in PNG between 2002 and 2009

Rainforest Foundation Norway: PGK 2.9 million (USD 1.03 million) to local NGOs in 2006.

Packard Foundation (US): PGK 11.7 million (USD 5 million) to local and international NGOs operating in PNG between 2006 and 2010.

Christensen Fund (US): PGK 2.2 million (USD 940 thousand) between 2008 and 2011. These funds were in the form of direct grants to the Bismarck Ramu Group.

Macarthur Foundation (US): PGK 3.2 million (USD 1.4 million) to local NGOs between 2007 and 2010.

German Environment Ministry (BMU): PGK 20.4 million (USD 8.8 million) to Conservation International to set up the YUS Indigenous Forest Reserve in 2008.

European Commission: PGK 7.8 million (USD 3.4 million) to WWF and local NGO, Research & Conservation Foundation, for specific anti-development work in PNG between 2004 and 2010.

Greenpeace Australia Pacific: PGK 35.5 million (USD 15.3 million) for the 'Campaigns Pacific' program between 2004 and 2010.

WWF Australia: Estimated PGK 23.1 million (USD 9.96 million) to unspecified WWF programs in PNG between 2000 and 2011.

WWF UK: PGK 17.3 million (USD 7.4 million) in funding to WWF South Pacific and WWF PNG between 2005 and 2010.

Conservation International: PGK 28.8 million (USD 12.5 million) to local NGOs in PNG between 2006 and 2010.

WWF US: PGK 777 thousand (USD 335 thousand) to WWF South Pacific in 2006 and 2007.

3.3.6 A difference in priorities

Overwhelmingly, the assistance outlined in the previous section is directed to conservation programs and most is to forestry and to a much lesser extent, mining. Official PNG policies and publications do not attribute the same level of importance to environmental issues as activist NGOs do. Nor do official aid donors, or these matters would also rate higher in their aid priorities.

This raises the question "why do foreign foundations and international activist NGOs attach such priority to these matters in PNG?"

There are two explanations. The first is that this is simply part of a global campaign. Environmental groups such as Greenpeace and WWF have been pressing for a global campaign to restrict forestry in developing countries for three decades. And for the last decade and a half, NGOs have been pressing to restrict extractive industries.

The second, in the case of forestry, is that Papua New Guinea has been singled out for special attention as a result of a decision by the World Bank to align its forest policies with those of WWF.

Forestry

At the first UN Earth Summit which adopted in 1992 a global strategy to promote sustainable development, environmental NGOs supported by European donor economies proposed a global convention to set environmental standards for forestry. This was rejected by most developing countries and regarded coolly by key western economies, so as an alternative a set of voluntary guidelines to promote sustainable forestry were developed.

This resulted in a concerted strategy in which WWF played a major role in encouraging the private sector to set sustainable standards where governments would not. The key issues were the extent to which forest industries could continue to be used as wealth generating industries and forest clearance continue to be used to expand production of agricultural products. Greenpeace opposed any monoculture and WWF developed "Forest Stewardship Council" (FSC) sustainability standards which effectively limited forest conversion. Today revised FSC standards virtually preclude forest conversion of any kind.

WWF wants a global cessation of any conversion of natural forests by 2020. It campaigns for forestry companies to use only FSC certification standards. They will not recognise forestry operations in natural forests established after 1994 and demand compliance with 'High Conservation Forest' standards which effectively preclude logging in natural forests.

Brazil was the focus of most attention with great publicity given to forest clearance in the Amazon in the late eighties. That continues today, despite a recent assessment by the World Bank that 86 percent of Brazil's Amazon rainforest remains intact.

Attention was turned to PNG in the late eighties after a national enquiry (the Barnett Enquiry) into the management of PNG's forests. Corruption was found and far reaching reforms were implemented which serve as the framework today for forest management in PNG.

Greenpeace was established in PNG in the mid-1990s, but it was not until 1999/2000 that its major focus turned to forestry.

In 1998 the UK Government launched a global campaign to halt illegal logging to support the case for a global convention on forestry. Then in 1999, the World Bank President, James Wolfensohn, agreed to a forestry alliance with WWF which resulted first in aggressive linkage by the Bank of requirements to establish forest conservation programs in return for general lending, then, later, a

formal policy of not approving any finance for loans unless the project applied WWF standards of sustainable forestry.

In 1999, the Bank made this a condition for a US\$90 million loan to PNG to address balance of payments difficulties. Academics concluded WWF had been instrumental in this policy shift and Wolfensohn was reported as stating that this was a model for how the Bank would engage with NGOs in future.⁴⁶

This was followed by a loan of US\$20 million to review the overall operations of the forestry industry, a condition of which was to suspend the granting of any new forest concessions and create a new agency, independent of government and with NGO membership, to manage environmental policy for forests. This was unacceptable to the PNG Government and it cancelled the contract in 2003. A similar program in Cambodia also resulted in cancellation by the Government in Phnom Penh. Not surprisingly, internal World Bank reviews assessed these programs as failures.

The extent of NGO capture of the approach of the World Bank is demonstrated by the fact that no independent assessment of the state of environmental management and impact on biodiversity was undertaken before these projects were launched.

A claim by Greenpeace that within a decade or so, PNG's primeval forests would disappear was frequently cited, but no technical support for the claim was, or ever has been, produced.

After the cancellation of the World Bank project, Greenpeace launched virulent attacks on the largest forestry operator in PNG, the Rimbunan Hijau (PNG) Group, accusing it of forest devastation, environmental destruction, illegal logging and human rights abuses. None of these claims were substantiated.

RH's "offence" was to invest heavily in PNG after the forestry laws were revised in 1989 and build a vibrant, profitable and wealth-creating forest industry. It remains a target for attack.

It cannot be a coincidence that at the same time the WWF/World Bank campaign was mobilised, so too was the beginning for the first time of a continuous and significant flow of funding to what are today the leading PNG-based anti-forestry groups – CELCOR in 2000; the Bismarck Ramu Group in 1999; and the PNG Eco Forestry Forum in 2000. This funding came from a select set of foundations – the Macarthur Foundation, the Packard Foundation, and the ICCO – as well as WWF and Greenpeace.

Research for this report shows that around USD 8 million per annum has been provided to anti-forestry NGOs in PNG over the past decade. Yet no comprehensive technical analysis of biodiversity in PNG exists, despite regular claims that it is threatened; and no donors have offered to fund a proper inventory of PNG's forests. PNG's forestry laws are based on the premise of the practice of sustainable forestry. Those standards are rudimentary and cannot be refined without a full inventory. Yet donors instead fund programs to reduce carbon emissions, which are negligible, and to promote community forestry, which has been demonstrated consistently to be commercially unviable.

⁴⁶ Filer, C. (2004), *A Serious Case of Conditionality: The World Bank gets stuck in the Forests of PNG*, Development Bulletin 65, pp 95 – 99, 2004.

Forestry is a major employer in PNG and a key provider of social services and infrastructure in remote rural areas. Forty percent of PNG's total land mass is forested and not available for commercial forestry. Yet official donors no longer fund improvements in forest management and NGOs are funded to restrict commercial forestry.

Mining

Criticism of mining in PNG by major environmental groups was inaugurated by the OK Tedi Mine case when in 1999, a coalition of NGO groups, of which the Environmental Law Centre was most prominent, succeeded in having BHP concede there was a major environmental problem with tailings disposal.

Environmental groups worldwide have been critical of mining from the beginning of the emergence of the environmental movement. It had not been a leading issue on the global environmental agenda of public international institutions until the World Bank, in response to a range of NGOs of which Oxfam was the leading group, began to consider the environmental and social impacts of major projects by extractive industries.

The result has been adoption by the World Bank of a set of environmental and social safeguards to use as conditions for financing major extractive industry projects.

A common strategy in both forestry and mining in PNG is to mount legal challenges to the granting of rights to develop a resource and to approvals of environmental impact assessments. These activities are mounted by common NGOs with funding from common sources. The uncertainty about landowner rights and confusion over when communal land rights do and don't operate has created a fertile platform to launch legal challenges against forestry and mining ventures.

4. Case Studies

4.1 Domestic Campaign Groups

4.1.1 Centre for Environmental Law and Community Rights (CELCOR)

Background

The Centre for Environmental Law and Community Rights (CELCOR) is the PNG arm of Friends of the Earth international (FoEI), an international campaign group. CELCOR was established in PNG in 2000. Its core activity is the provision of legal services to NGOs and customary landowners. It provides litigation support, legal assistance, and paralegal training. It also undertakes campaign, awareness and advocacy work, purportedly on behalf of local communities.

Key figures

Damien Ase

Ase is the founder, principal lawyer and Executive Director of CELCOR. He is a former state lawyer hailing from a proposed conservation area on the Managalas Plateau in Oro Province, PNG.

Major Programs

The NGO has four core programs in operation in PNG:

- Direct Legal Assistance
- Policy Research and Law Reform
- Community Legal Education
- Campaign, Advocacy and Networking⁴⁷

CELCOR has targeted PNG's forestry, mining and palm oil industries. It argues that the expansion of these industries encroaches on customary land tenure and harms the environment. The NGO also seeks to influence decisions regarding the use of PNG's natural resources at local, national and international levels. CELCOR has represented landowners in at least five land rights cases per year between 2002 and 2005.⁴⁸

Activities

Key campaigns include:

⁴⁷ Be'Soer, L., Guman, Y., Farrow, D. (2011), *Centre for Environmental Law and Community Rights - Final Evaluation report*, 27 November, p.52

⁴⁸ Kessler, J.J., Wakker, E., Subendranathan, V. (2006), *Evaluation of ICCO's Pacific Programme 2002-2005 – Final Report*, AIDEnvironment, Amsterdam March, p.62

Managalas Plateau – Proposed Conservation Area

CELCOR received funding of PGK 163,156 (USD 70,369) from the International Union for Conservation of Nature (IUCN), the Netherlands, in 2002, for its role in a campaign to have land in the Managalas Plateau of Oro Province converted into PNG's first community-based conservation area. CELCOR was tasked with delineating the perimeter of land owned by local clans in the area so that community-based tenure rights could be secured. The campaign was designed to block Government plans to develop major commercial forestry and mining projects in the area.⁴⁹

Higaturu Palm Oil Project

In 2005 the NGO received funding of PGK 175,804 (USD 75,824) from the IUCN Netherlands to undertake Environmental Impact Assessments (EIA) and Social Impact Assessments (SIA) of the Higaturu Palm Oil project in Oro Province, owned at the time by US agri-business Cargill. The assessments claimed that environmental and social problems in the area were inevitable.⁵⁰ The campaign temporarily blocked the development of a proposed palm oil mill, although the project later went ahead. After 5 years of operation in PNG, Cargill divested its PNG assets.

World Bank SADP Projects in PNG

In 2010, the NGO urged the World Bank to launch an investigation into the PNG Smallholder Agriculture Development Projects (SADP) in Oro and West New Britain provinces, which were funded by the International Development Association (IDA). It is standard practice of FOE affiliates to protest about World Bank funding of palm oil projects. The NGO argued that customary landowners and affected smallholders had claimed that they suffered from the design and implementation of the project. The campaign attempted to shut down a project designed to assist smallholders develop plots of no more than 2 hectares.

PNG Special Agriculture and Business Leases (SABL's)

In 2011 several NGOs including CELCOR filed a submission objecting to the granting of SABLs in PNG. CELCOR also endorsed the Cairns Declaration, calling for a moratorium on the issuance of SABLs.

Deep Sea Mining

Funded by the Packard Foundation and Miningwatch Canada, CELCOR released a 2011 report attacking the development of deep sea mining in the Bismarck Sea of PNG. The report focused specifically on Nautilus Minerals' Solwara 1 project and argued that more work was needed to assess the socio-economic, health, and environmental impacts of the project.

⁴⁹ IUCN National Committee of the Netherlands (2012), *Funded projects database*, viewed 12 July, <http://www.iucn.nl/funded_projects/mapping_for_the_future_securing_community_based_property_rights_1/>

⁵⁰ IUCN National Committee of the Netherlands (2012), *Funded projects database*, viewed 1 May, <http://www.iucn.nl/funded_projects/#page1>

Sources of Funding

Rainforest Foundation Norway (RFN) named CELCOR its “main partner” in Papua New Guinea.⁵¹ In 2006, RFN’s PNG programme supported three local NGOs – CELCOR, the Environmental Law Centre (ELC) and Partners with Melanesians (PWM) – with funds of PGK 2,931,439 (USD 1,264,329).

The Interchurch Organisation for Development Cooperation (ICCO) funded CELCOR with approximately PGK 804,636 (USD 347,039) between 2002-2005 for national level ‘legal assistance, lobbying and campaigning.’⁵²

The International Union of Conservation of Nature (IUCN) Netherlands donated PGK 659,753 (USD 284,551) for three CELCOR projects between 2002 and 2010.⁵³

The Packard Foundation provided total funding of PGK 1,262,160 (USD 544,368) to CELCOR in 2006, 2008, 2009, 2010. The two largest tranches of funding, in 2006 and 2008, were for 24-month projects to provide ‘legal support and awareness to coastal resource owners and marine protected areas.’

The MacArthur Foundation approved a grant of PGK 765,680 (USD 330,238) to fund CELCOR’s work in ‘defending communal land, sea and natural resources’ in 2007. By 2010 nearly US\$150,000 of this grant had been expended by CELCOR on activities in PNG.⁵⁴

Summary

CELCOR’s core program in PNG is the provision of direct legal assistance to NGOs, CSOs and customary land and resource owners. It is, however, entirely different from the legal aid and other services offered by the Office of the Public Solicitor. Rather, it seeks to use the PNG court system to challenge prospective projects in resource industries such as mining, forestry and agriculture and operates as an advocacy service for both smallholders and large private sector organisations. CELCOR does not undertake legal advocacy in other areas such as health or education.

⁵¹ Norwegian Agency for Development Co-operation (2007), *Organisational Performance Review of Rainforest Foundation Norway*, Report 9, Oslo, October, p.30

⁵² Kessler, J.J., Wakker, E., Subendranathan, V. (2006), op. Cit., p.5

⁵³ IUCN National Committee of the Netherlands (2012), op. cit.

⁵⁴ John D. and Catherine T. Macarthur Foundation (2010), *Form 990-PF*. p.117

4.1.2 Bismarck Ramu Group

Background

The Bismarck Ramu Group (BRG) is a community development and environmental advocacy NGO based in Madang Province. BRG grew out of a failed UNDP-DEC Integrated Conservation and Development Project (ICAD) based in Lak (New Ireland Province) in the 1990s. The project was abandoned after landowners expressed their preference to work with a logging company over the ICAD project.⁵⁵

Following its collapse, several of the project staff left to establish a GEF-funded ICAD project at Bismark-Ramu in Madang Province, focusing on a community program of 'landowner mobilisation.'⁵⁶ This project was also discontinued after local communities expressed concerns that they were not receiving adequate benefits.⁵⁷ At this point the organisation broke away from the UNDP-DEC framework, and emerged as a separate NGO entity.

Both ICAD projects appear to have failed because of landowner preference for local forestry projects over the conservation programs. This preference soon forced BRG to shift its areas of operation further afield.

Key figures

John Chitoo

Chitoo is the founder, coordinator and key spokesman for BRG. He worked on the failed UNDP Bismarck-Ramu ICAD project before forming BRG.

Major Programs

BRG's community development program focuses on the protection of community land from large scale resource development. The program includes activities in community organising & development, community education & trainings, advocacy campaigns and information dissemination. The program specifically targets resource industries including mining, commercial forestry, palm oil plantations and fisheries. It promotes awareness of the 'negative impacts of large scale development and the tricks used by companies.'⁵⁸ The BRG message to local communities is that large resource projects will provide few short term benefits, before 'the hard reality of long term dispossession and environmental degradation bites hard.'⁵⁹ A BRG education team focuses on land care and environmental education in primary schools. The NGO also runs training programs for local and international NGOs in the areas of community development, organising, leadership, health and hygiene, gender, literacy, traditional medicine and conservation.

⁵⁵ van Helden, F. (2005), *Lessons Learned in Community-Based Conservation in Papua New Guinea*, WWF and The Nature Conservancy

⁵⁶ Anderson, T. (2004), *Papua New Guinea's Bismarck Ramu Group: redefining conservation and development*, April, p. 1

⁵⁷ van Helden (2005)

⁵⁸ Anderson, T. (2004), *op. cit.*, p.9

⁵⁹ Anderson, T. (2004), *op. cit.*, p.9

Activities

BRG first established a campaign program in the early 2000's to support local communities in disputes over large development projects, mostly in the Madang region. Key campaigns have included:

Ramu Nickel Mine

BRG has led a long-running advocacy campaign against the Ramu Nickel mine development. Initially the NGO played a central role in 'facilitating, training, sharing information and networking' with a range of local communities, NGOs and international organisations. Today BRG is a vocal campaigner against the project in local and international media.

Palm Oil in the Upper Ramu

BRG was responsible for organising ten communities to block Regional Government plans to convert 35,000 hectares of land into oil palm plantations in the Upper Ramu region of PNG. BRG worked as a communications link between local community groups and outside groups.⁶⁰

RD Tuna & the Pacific Marine Industrial Zone

BRG supports a group of landowners, the Kananam people, who have led a long-running campaign over land and alleged environmental damages from RD Tuna's manufacturing operations and wharf facility in Madang. Recently the campaign refocused on blocking National Government plans to develop a lucrative Pacific Marine Industrial Zone in the Madang Harbour.

Sources of Funding

The Interchurch Organisation for Development Cooperation (ICCO)

Funding for BRG's eco-forestry, community development and legal work totalled PGK 5.47million (USD 2.4 million) between 2002 and 2005.⁶¹ It received the second-highest amount of ICCO funding for PNG-based NGOs in that period.

The Christensen Fund

Provided funding of over PGK 2 million (USD 893,029) to BRG between 2008 and 2010⁶² to "support the development of a regional network and plan of action on land issues in Melanesia, and an environmental and social assessment of the Ramu River system in Madang, Papua New Guinea."⁶³

⁶⁰ Anderson, T. (2004), op. cit., p.14

⁶¹ Kessler, J.J., Wakker, E., Subendranathan, V. (2006), op. Cit., p.5

⁶² Christensen Fund (2012), *Grants Database*, viewed 1 May, <http://www.christensenfund.org/funding/grants-search/?keywords=bismarck+ramu+group&f_year=all®ion=9&theme=all>

⁶³ Ibid.

Rainforest Foundation Norway (RFN)

RFN lists BRG as one of five key NGO partners in the country and has commended the NGO for organising local communities against logging, mining and other projects threatening the forest.⁶⁴ Specific information on funding is not available.

Other international organisations to align themselves with BRG include the Australian Conservation Foundation (ACF), Bread for the World (BftW) and the New Zealand Government Aid Agency, NZAID.

Summary

The Bismarck Ramu Group describes itself as a community development NGO. However its community initiatives appear to be guided more by conservation objectives than national development priorities. BRG's overarching program focuses on the protection of community land from large scale resource development. Community-level activities and advocacy campaigns are used to persuade landowners to conserve their natural resources rather than develop them for economic benefit. They encourage landowners to block projects which would provide jobs, income and infrastructure for some of PNG's most remote communities. Development Initiatives which address vital issues such as community-level health, education and social facilities are given scant attention in the BRG program.

4.1.3 PNG Eco Forestry Forum

Background

The PNG Eco-Forestry Forum (EFF) is a NGO umbrella organisation established in 1999 to "give a national voice to local-level NGO campaigns in PNG."⁶⁵ EFF is made up of thirty members including NGOs, Civil Society Organisations (CSOs) and individuals, and is governed by an elected board and managed by a Secretariat staff. EFF's financial members include WWF (PNG), Greenpeace (PNG), CELCOR, Partners with Melanesians and Conservation Melanesia. The NGO's stated goal is to ensure PNG's forest resources are sustainably managed for the long-term benefit of local people. The commercial forestry industry is a key target.

Key figures

Kenn Mondiai

Mondiai is the Chairman of the PNGEFF and the Executive Director of local NGO (and EFF member) Partners with Melanesians (PwM). He has been Chairman of EFF since 2002 and Executive Director of PwM since 2003. He had previously worked for WWF and various local NGOs and private forest management enterprises. He sits on the UN-REDD Policy Board.

⁶⁴ Rainforest Foundation Norway (2010), *Annual Report 2009*, Oslo, p.16

⁶⁵ PNG Eco Forestry Forum (2011), viewed 1 May, <<http://www.ecoforestry.org.pg>>

Thomas Paka

Paka is the Executive Director of the PNGEFF. He has worked for various local NGOs in the past including the Foundation for People and Community Development from 1996 to 1999. From 1999 to 2004 he was employed as a UNDP environment officer. Paka was appointed to the National Forestry Board in 2010.

Major Programs

EFF's operational program is divided into three thematic areas:

Legal Program

EFF's legal program "Seeks legal interpretation of existing forestry laws."⁶⁶ It uses the legal system to challenge permits for commercial forestry and advocates a revision of PNG's national forestry policies.

Climate Change Program

Organises domestic and international events aimed at increasing climate change awareness and promoting its views on key issues related to REDD including governance, free prior informed consent, equitable benefit sharing and land-use planning.⁶⁷

Advocacy Program

Advocates against PNG's commercial forestry industry, purportedly on behalf of local landowners. The program calls for the conservation of PNG's forest resources. It produces reports and makes regular contributions to international and national press and funds media advertisements in local newspapers.

Activities

Legal Battles over Kamula Doso and East Awin Forest concessions

Since 2002 the EFF legal program has concentrated on having the PNG Government's awarding of the East Awin and Kamula Doso forest concessions to commercial forestry interests overruled by the courts. The concessions, covering over 1 million ha of forest, were allocated to subsidiaries of the Rimbunan Hijau (PNG) Group. In 2009 the EFF and partner NGOs began a separate, but related campaign to overturn a 2007 amendment to the Forestry Act, which they claim 'implied retroactive legitimisation of illegal timber concessions.'⁶⁸ EFF's injunction against logging in the East Awin

⁶⁶ *ibid.*

⁶⁷ PNG Eco Forestry Forum (2011), *op. cit.*

⁶⁸ Rainforest Foundation Norway (2010), *op. cit.*, p.16

concession was eventually dismissed. The Kamula Doso case has been contested in both the PNG National and Supreme courts, with an injunction preventing any logging until a decision is reached.

SABLs

In 2011, EFF led the campaign to establish a government inquiry into the Lands Department amid claims that customary land had been acquired fraudulently through SABLs. The advocacy campaign raised the issue at local and international conferences, through submissions to multilateral institutions and locally through open letters to the Government and the media.⁶⁹

Sources of Funding

EFF claims to be financially supported by four major international funding organisations: ICCO, Church Development Services (EED) based in Germany, Rainforest Foundation Norway and the Humane Society International. ICCO records indicate EFF received PGK 5.9 million (USD 2.5 million) in ICCO funding for the 2002 – 2005 period. There is evidence to suggest that US-based protest group, Rainforest Action Network, has also funded EFF programs in PNG.

Summary

The PNG Eco-Forestry Forum is an umbrella organisation for activist NGOs operating in PNG. Local and international members, including CELCOR, WWF and Greenpeace, work together under the EFF banner to further internationally-funded conservation campaigns. One of the most vocal NGOs in PNG, EFF campaigns against commercial forestry by supporting landowner legal actions and organising large scale national and international advocacy programs. These campaigns align with positions espoused by international NGO members, Greenpeace and WWF.

4.1.4 Act Now!

Background

Established in February 2010, this vocal online campaign organisation focuses its attention on constitutional issues, corruption and resource development in PNG. Act Now claims to be an independent organisation registered and based in PNG and unaligned with any corporation, political party, government or NGO. However Greenpeace has virtually indicated that it has a major influence over Act Now.

Key Figures

Effrey Dademo

⁶⁹ PNG Eco Forestry Forum (2011), op.cit.

Dademo is Act Now's founder, Program Director and key spokesman. He appears to be the NGO's only full-time staff member. Dademo was previously a Program manager/In-house lawyer for the PNG Eco-Forestry Forum and has worked for FORCERT. Both NGOs are affiliated with WWF and Greenpeace.

Major programs

The NGO has three major campaign programs in operation in PNG:

- Constitutional reform
- Corruption and Social Justice
- Environment and land rights (includes campaigns against resource projects in fisheries, forests, mining, petroleum, SABLs)

Activities

Act Now campaigns are usually in the form of online petitions and email broadcasts directed at government authorities or private sector parties. They often support larger online and traditional media campaigns.

Deep Sea mining in the Bismarck Sea

Act Now's most recent online campaign was launched in early April 2012 and focused on halting deep sea mining in the Pacific region and particularly the Bismarck Sea in PNG. The campaign argued that there are environmental and social sustainability issues surrounding the proposed practice and its long term impact on coastal communities. The email action aimed to present an online petition at a 2012 Pacific Islands Heads of State meeting in the Cook Islands. Act Now claimed to coordinate with the Fiji-based, anti-free trade NGO, the Pacific Network on Globalisation, which appears to have little more than an online presence.

PNG Environment Act amendments

In 2010 Act Now organised an online petition to protest against the Somare Government's amendments to PNG's Environment Act. It launched a second campaign in October 2011, when the O'Neill Government came to power and claims to have sent over 1,700 emails to Government Ministers calling on them to reverse the amendments.

Ramu NiCo mine

Act Now has supported campaigns against the Ramu Nickel mine project in Madang Province since the project was first proposed in the early 2000's. In October 2010 the NGO organised an email action against Highlands Pacific, the minority shareholder in the Ramu Nickel project.

Act Now has run direct action email campaigns against:

- Rimbunan Hijau (commercial forestry)
- RD Tuna (manufacturer of canned fish)
- New Britain Palm Oil (palm oil producer)
- Pacific Marine Industrial Zone (proposed regional fish processing hub)
- ExxonMobil (international oil and gas producer)
- Interoil Corporation (international oil and gas producer)

Sources of Funding

Act Now does not provide any information on its funding or funders other than to say it relies on voluntary donations. The NGO claims that individual members' identities are kept confidential. Greenpeace effectively claimed the NGO as part of its operations, referring to Act Now as its 'NGO partner in PNG',⁷⁰ during its recent campaign against palm oil projects in East New Britain.⁷¹

Summary

Act Now is one of PNG's most vocal protest organisations. The NGO has strong links to Greenpeace, CELCOR and the PNG Eco-Forestry Forum. Act Now's online petitions and awareness campaigns support 'on the ground' environmental activities. The Act Now program traditionally targeted a range of issues in PNG, but in recent times there has been a noticeable leaning towards 'green' campaigns. This shift in priorities no doubt reflects Greenpeace's influence. Act Now campaigns seek to discredit local and foreign investors and stall PNG's most important projects in resource industries such as fisheries, mining, forestry, and agriculture. They also push for Government intervention and legislative changes that will diminish the long-term economic impact of the nation's resource industries.

⁷⁰ Greenpeace Australia Pacific (2011), *Live Action! Stolen forests protest in PNG*, viewed on 10 May 2012, <<http://www.greenpeace.org/australia/en/news/forests/LIVE-ACTION-Stolen-forests-blockade-in-PNG/>>

⁷¹ See Greenpeace case study on p.43 for details of this action

4.2 International NGOs in PNG

4.2.1 World Wide Fund for Nature (WWF)

Background

WWF has been running conservation programs in PNG since 1995 from its South Pacific office in Fiji. Initially it promoted eco-forestry instead of commercial forestry. This was unsuccessful. It established a permanent presence in the country in 2008 when the Western Melanesia Program Office was opened to manage national campaigns and those in the Solomon Islands. WWF is the founder and driving force in the Forest Stewardship Council (FSC). WWF holds influential positions on the boards of key local conservation organisations including the PNG Eco-Forestry Forum and FORCERT, which was established to promote the FSC forestry standard developed by WWF. WWF focuses on the development and expansion of protected areas in PNG, including Wildlife Management Areas (WMAs) and Conservation Areas (CAs), and related conservation projects. Commercial forestry, agriculture and mining are key campaign targets. It has campaigned in Australia with Greenpeace to restrict the purchase and imports of timber from PNG in Australia unless it meets WWF's sustainability standards.

Key figures in PNG

Dr. Neil Stronach

Stronach has written a number of published works on ecology in the Asia Pacific region. Stronach previously worked as an ecological consultant at the Fota Wildlife Park in the Republic of Ireland.

Dr. Eric Verheij

Verheij has written a number of published works on biodiversity in the Asia Pacific region. Verheij previously worked with The Nature Conservancy in Palau.

Major Programs in PNG

WWF's initial program in PNG was to promote community based forestry, claiming that it had purchased more than 2000 small-scale sawmills for villages by 2000.⁷² The program demonstrated that this model of forestry was commercially unviable and embarrassingly resulted in clearance of protected mangrove forests. Its current program, *Forests of New Guinea*, aims to promote community-run protected areas throughout PNG. Key goals include:

- Influencing government forest, land-use and development planning⁷³
- Expansion of FSC certification and targeting of illegal logging.⁷⁴

⁷² WWF (2000) *A Future for our Forests: Strategies for Community-based Conservation in Papua New Guinea*,

⁷³ WWF Global (2011), *New Guinea forests*, viewed 1 May,

<http://wwf.panda.org/what_we_do/where_we_work/new_guinea_forests/conservation_new_guinea_forests/>

⁷⁴ *ibid.*

- Expansion of protected areas⁷⁵

Forests of New Guinea includes conservation initiatives in the Transfly region; the Kikori River Basin in the South-East of the country; and the Sepik River Basin in the North of PNG. The NGO is also a founding member and the leading promoter of the regional marine conservation program, the Coral Triangle Initiative. This initiative aims to establish a huge marine protected area between Indonesia, Malaysia, Philippines, East Timor, PNG and the Solomon Islands.

Activities

PNG Community and Resource Conservation in the Transfly region

Launched in 2003, project activities are coordinated by the WWF Western Melanesia office, WWF Indonesia and WWF Australia. The project aims to “tackle issues such as poorly planned commercial forestry and plantation crops, non-traditional burning, infrastructure development and the over-exploitation of natural resources.”⁷⁶ In 2006, WWF launched a 50-year conservation vision for the Transfly. The overall goal appears to be the creation of a 2 million ha protected area in the Transfly region.⁷⁷ The NGO has already funded the restoration of a management committee for the established Tonda Wildlife Management Area and has consulted with a number of other local communities on plans to establish new WMA’s in surrounding areas.⁷⁸

Kikori River Basin

The project is explicitly designed to restrict expansion of the commercial forestry industry in a region of the Southern Highlands and Gulf Provinces.⁷⁹ The project promotes activities such as ecoforestry; ecotourism; protected area management; and cottage industries.⁸⁰ Activities are funded by the Kutubu Oil and Gas Joint Venture, which includes international resource companies such as Chevron Niugini, Santos, ExxonMobil, Oil Search and PNGs’ Mineral Resource Development Corporation.

PNG Integrated River Basin Management: Sepik River

This project involves the development of a river basin management framework for communities along the Sepik River. It aims to protect biological diversity and ecological processes and promote sustainable resource management. WWF activities include local government and community advocacy and the establishment of a local catchment management body.⁸¹ WWF is also advocating a network of community-based conservation areas in the region.

⁷⁵ WWF Global (2011), *op. cit.*

⁷⁶ WWF Global (2011), *op.cit.*

⁷⁷ WWF Global (2011), *op.cit.*

⁷⁸ WWF Global (2011), *op.cit.*

⁷⁹ WWF Global (2011), *op.cit.*

⁸⁰ WWF Global (2011), *op.cit.*

⁸¹ WWF Global (2011), *op.cit.*

Sources of Funding

WWF activity in PNG and the South Pacific is primarily funded by the UK, US and Australian arms of the organisation. Significant funding also comes from the EU via WWF Netherlands.

WWF Australia

Between 2000 and 2004 WWF Australia's disbursement of funds to overseas projects went to funding WWF activities in Indonesia, PNG, New Zealand and the South Pacific. From 2005 to 2011 this funding was concentrated on projects in Indonesia, PNG and the Solomon Islands. Assuming that approximately one third of these funds were used to support projects in PNG, funding from WWF Australia for the period would be an estimated PGK 23.1 million (USD 9.96 million).

WWF UK

UK tax records indicate that between 2005 and 2010 WWF UK committed funding of PGK 17.3 million (USD 7.4 million) to the PNG program either directly or through the South Pacific Program Office in Fiji. Records indicate that at least PGK 4.2 million (USD 1.8 million) of this was funding sourced from the European Union, while at least PGK 637,930 (USD 275,138) was provided by the UK Government's Department for Environment, Food & Rural Affairs. EU funds were specifically directed to WWF's conservation initiative in the Transfly region. UK Government funding was specifically directed to WWF's initiative in the Sepik River region.

WWF USA

US tax records highlight that from 2006 to 2007 WWF USA directly transferred PGK 777,060 (USD 335,145) in conservation grants to the WWF PNG country program.

WWF Global

Research indicates that WWF Global provided funds of PGK 2.4 million (USD 1.03 million) to PNG NGOs and conservation projects in PNG in 2004 and between 2006 and 2009. PGK 1.5 million of these funds were granted to forestry certification organisation, FORCERT, and were originally sourced from the European Union. Other funds were sourced from the Packard Foundation.

Summary

In PNG, WWF is a conservation organisation that prioritises expansion of conservation areas over health, education and other social outcomes. Over the last five years annual expenditure from WWF collectively in PNG is between USD 2.5 million and USD 3 million per annum. WWF's long running *Forests of New Guinea* program focuses on the expansion of protected areas and limiting land used for commercial activity. The program also involves lobbying government to make forest and land-use regulations more restrictive. WWF's work in Papua New Guinea is funded almost entirely from other WWF offices in Australia, the US and the UK.

4.2.2 Greenpeace Australia Pacific

Background

Greenpeace has been running direct action campaigns in PNG since 1995. The NGO states it is “exposing illegal logging, promoting alternatives to forest destruction and working with local communities to reclaim their traditional lands and help create sustainable solutions”.⁸²

Greenpeace’s longstanding program in the country is the *Paradise Forests Campaign*. This program targets commercial forestry. Greenpeace argues that PNG cannot develop sustainably and alleviate poverty and associated social problems while “foreign-owned companies control the country’s natural resources”.⁸³ Greenpeace however is opposed to any commercial agriculture and plantation industry. Like WWF, the NGO is a financial member of the umbrella group, the PNG Eco-Forestry Forum, and sits on the board of FORCERT. In 2012, Greenpeace targeted palm oil development in PNG.

Key figures in PNG

Sam Moko

Moko is the Greenpeace Forest Campaigner in PNG. He hails from Morobe Province and claims to have spent the last 10 years working with NGOs in PNG. Prior to joining Greenpeace in 2005, Moko worked as a conservation and community outreach officer for WWF.

Reece Turner

Turner is Greenpeace’s Forest Campaigner, Australia. He began working at Greenpeace in 2008. Greenpeace forestry campaigns in PNG are directed out of Australia. Prior to this he worked for a number of years with The Wilderness Society.

Paul Winn

Winn is the Head of the Australia Pacific Forest Campaign team. He joined Greenpeace in 2008. Before that he worked in marine conservation and National Parks. His work focuses primarily on campaigns in Papua New Guinea.

Major Programs in PNG

Greenpeace’s major program in PNG, the *Paradise Forests Campaign*, is a direct action advocacy and awareness program designed to pressure the PNG Government to change its policies regarding natural resource development in PNG.

⁸² Greenpeace Australia Pacific (2011), *Papua New Guinea*, viewed 1 May, <<http://www.greenpeace.org/australia/en/what-we-do/forests/Forest-destruction/Papua-New-Guinea/>>

⁸³ Ibid.

Greenpeace and its local partners have called on the PNG Government to declare a moratorium on industrial logging and forest conversion for large-scale agriculture projects including palm oil plantations. They have attacked and sought to discredit PNG's commercial forestry industry, mining industry and fisheries industry, purportedly on behalf of local communities and landowners. They have also worked at the community level to promote the expansion of community-based forest management projects as an alternative to large-scale resource development projects. More recently the NGO has turned its attention to the SABL issue in PNG and was one of the first to call for the establishment of a Commission of Inquiry into the lease issuance process.

They have produced and sponsored several reports on forestry in PNG which have been critiqued as containing unsupported claims about rates of forest clearance and the impact on biodiversity in PNG.

Activities

Greenpeace and its PNG partners have led landowner protests; run local and international media awareness campaigns; released publications and given presentations at local and international events regarding the alleged environmental damage caused by resource industries operating in PNG.

Its campaign against PNG's largest commercial forestry company, Rimbunan Hijau (RH), has been a key focus. In 2004 Greenpeace launched a campaign against RH based on allegations of illegal logging and worker abuse by the company at its Wawoi Guavi concessions in Gulf Province. The allegations were never proven and yet over the course of the next 4 years, Greenpeace released 5 reports accusing RH and the country's commercial forestry sector of illegal logging, forest crimes, human rights abuse, corruption and arms trafficking. Of the twenty or more direct accusations, none were substantiated with hard evidence. Most were proven to be without foundation.⁸⁴

At an international level, the NGO called on the Australian and Chinese Governments to introduce laws to stop the importation of allegedly illegal timber from PNG. In the UK, Greenpeace protested against the refurbishment of the UK Cabinet Office, claiming it was using illegal PNG timber processed in China. This claim had no substantiation. PNG officials attending international conferences were awarded Golden Chainsaws for their alleged destruction of PNG forests. In 2007 Greenpeace illegally seized a ship in the Gulf of Papua, claiming it was owned by RH and contained illegal timber. Both claims were demonstrated as wrong.

In 2011, Greenpeace travelled to East New Britain Province to protest against what it claimed was a 'land grab' at an RH Palm Oil project in Pomio, East New Britain. This was part of a wider campaign to tie in the SABL issue with their Asia Pacific Palm oil campaign. Local sources claim that campaigners from Australia and Europe disembarked from the Greenpeace ship, *The Esperanza*, damaged private property and even dispatched a helicopter to 'intimidate' landowners. Greenpeace was assaulted by local landowners and its vessels stoned. Greenpeace also reportedly blockaded and vandalised a Chinese ship carrying what the NGO wrongly claimed were illegally-acquired logs.

⁸⁴ ITS Global (2006), *Whatever it takes: Greenpeace's anti-forestry campaign in PNG*, ITS Global, July, Melbourne

Two years earlier Greenpeace illegally boarded a timber ship in the Gulf of Papua, and wrongly claimed it was owned by Rimbunan Hijau and was carrying illegally logged timber.

Sources of Funding

Greenpeace Australia-Pacific

Greenpeace Australia Pacific spent approximately PGK 35.6 million (USD 15.35 million) on campaigns in the Pacific (PNG, Fiji & the Solomon Islands) between 2004 and 2010.⁸⁵ Between 2005 and 2008 at least PGK 6.9 million (USD 2.98 million) of these funds were sent to PNG to finance Greenpeace's Paradise Forests Campaign.⁸⁶

Dutch National Postcode Lottery

The Greenpeace Netherlands 2005 Annual Report notes that the NGO received a contribution of US\$1,592,454 from the Dutch National Postcode Lottery N.V to fund the *Paradise Forests* programme in PNG.

Greenpeace Asia Pacific also receives substantial donations from the international arm of Greenpeace.

Summary

Greenpeace is a campaign organisation whose key objective is to replace "industrial scale" forest and plantation development with subsistence production and to restrict mining. The long-term result of Greenpeace's campaigns if they succeeded would be lower growth and standards of living.

Unlike organisations such as Conservation International or The Nature Conservancy, Greenpeace does not undertake any genuine scientific research or undertake any conservation activities.

It attempts to achieve its objectives through international media campaigns and on the ground protests to pressure the PNG Government to change its policies regarding natural resource development. The NGO makes no attempt to address long-term social and economic problems, including health and education, faced by developing countries such as PNG.

Greenpeace's activities are entirely funded by overseas entities, particularly from the Netherlands and Australia.

⁸⁵ Greenpeace Australia Pacific (2011), *Financial Statements 2005 – 2010*, viewed 1 May, <<http://www.greenpeace.org/australia/en/about/how-is-greenpeace-structured/finance/>>

⁸⁶ Ibid.

4.3 International Donors

4.3.1 Packard Foundation

Background

The David and Lucille Packard Foundation is a US-based, private foundation that provides grants to not-for-profit organisations. The Foundation was created in 1964. One of the wealthiest private foundations in the US, the Packard Foundation accepts grant proposals for charitable, education and scientific purposes in the fields of conservation and science; population and reproductive health; and children, families and communities. It also offers funding for organisational effectiveness programs which assist current grantees. The Packard Foundation claims to have supported local projects and initiatives in the Western Pacific (including Eastern Indonesia, Palau, the Federated States of Micronesia, Fiji, the Solomon Islands, and Papua New Guinea) since 1998.

Programs

The Conservation and Science Program

“Invests in action and ideas that conserve and restore ecosystems while enhancing human well-being.”⁸⁷ The foundation claims to support efforts to reform public policy and private sector practices in line with environmental goals.

Population and Reproductive Health Program

Finances initiatives that address population growth and promote positive reproductive health. Slowing population growth rates in high-fertility areas is a key goal of the programme.⁸⁸

The Children, Families, and Communities Program

Provides grants to fund initiatives in the area of Children’s health and education. Supports public policy reform, system improvements, research, communications and advocacy programs and initiatives that demonstrate best practice in this area.⁸⁹

The Packard Foundation claims the majority of funding to the Western Pacific region is for conservation and environmental initiatives – especially those concerned with coastal and marine environments.⁹⁰

⁸⁷ The David & Lucile Packard Foundation (2012), Viewed 1 May, <<http://www.packard.org/>>

⁸⁸ *ibid.*

⁸⁹ The David & Lucile Packard Foundation (2012), *op. cit.*

⁹⁰ The David & Lucile Packard Foundation (2012), *op. cit.*

Budgets & Funding Recipients

The foundation had an investment portfolio of US\$6.1 billion by 31 December 2010. General program grant expenditure averaged approximately US\$280 million a year from 2007 to 2010.⁹¹ In 2010, the foundation's grants expenditure on the Conservation and Science program was US\$108 million across 170 grants.⁹² This represented approximately 46 per cent of the Foundation's total grant expenditure that year.

The Western Pacific sub-program, which includes funding to projects in PNG, has a grants budget of US\$5 million per year. The program strategy states that 40-50 per cent of the overall budget is designated to 'site-based conservation,' while the remaining amount would be evenly distributed between 'skills exchange initiatives, public education and media programs.'⁹³ Packard Foundation funding figures for NGO initiatives in Papua New Guinea between 2006 and 2010 are outlined in the table below.

4.3.2 Table: Packard Foundation funding to NGO initiatives in PNG 2006 – 2010

| Year | Grantee | USD | PGK | PROGRAM |
|------|--|------------|--------------|---|
| 2006 | The Nature Conservancy | 58,902.55 | 136,569.78 | Organisational Effectiveness and Philanthropy |
| 2006 | The Nature Conservancy | 232510.05 | 539091.23 | Conservation & Science |
| 2006 | CELCOR | 232,510.05 | 539,091.23 | Conservation & Science |
| 2006 | Wildlife Conservation Society PNG | 465,020.10 | 1,078,182.46 | Conservation & Science |
| 2007 | University of PNG | 51,223.58 | 118,765.55 | Organisational Effectiveness and Philanthropy |
| 2007 | Seaweb | 587,089.78 | 1,361,209.79 | Conservation & Science |
| 2007 | South Pacific Regional Environment Programme | 58,708.98 | 136,120.98 | Conservation & Science |
| 2007 | WWF International | 366,931.11 | 850,756.12 | Conservation & Science |
| 2007 | Coral Reef Alliance | 623,782.89 | 1,446,285.40 | Conservation & Science |
| 2008 | CELCOR | 10,008.48 | 23,205.37 | Conservation & Science |
| 2008 | Population Media Centre | 62,552.97 | 145,033.56 | Conservation & Science |
| 2008 | Live & Learn | 187,658.92 | 435,100.67 | Conservation & Science |

⁹¹ The David & Lucile Packard Foundation (2012), op. cit.

⁹² Terra Viva Grants Directory (2012), *Grant-makers: Foundations and NGOs*, Viewed 1 May, <<http://www.terravivagrants.org/Home/view-grant-makers/foundations-and-ngos/david-and-lucile-packard-foundation>>

⁹³ The David & Lucile Packard Foundation (2007), *Western Pacific Subprogram Strategy 2007-2011*, Los Altos, USA, April, p.9

| | | | | |
|--------------|--------------------------------------|---------------------|-------------------|------------------------|
| | Environmental Education | | | |
| 2008 | University of PNG | 75,063.57 | 174,040.27 | Conservation & Science |
| 2008 | PNG Mama Graun Trust Fund | 268,977.78 | 623,644.29 | Conservation & Science |
| 2009 | Wildlife Conservation Society PNG | 391,457.25 | 907,621.73 | Conservation & Science |
| 2009 | CELCOR | 260,971.50 | 605,081.15 | Conservation & Science |
| 2009 | Population Media Centre | 652,428.75 | 1,512,702.88 | Conservation & Science |
| 2010 | PNG Centre for Locally Managed Areas | 134,319.29 | 311,428.91 | Conservation & Science |
| 2010 | CELCOR | 40,879.78 | 94,782.71 | Conservation & Science |
| 2010 | Live & Learn Environmental Education | 291,998.45 | 677,019.36 | Conservation & Science |
| TOTAL | | 5,052,995.82 | 11,715,733 | |

Source: The David & Lucile Packard Foundation (2012), *Grants database*, Viewed 1 May, <<http://www.packard.org/grants/grants-database/>>

Between 2006 and 2010, the Packard Foundation committed total funding of PGK 11.7 million (USD 5 million) to grantee initiatives operating in PNG and 83 per cent of these funds were committed to 'site based conservation' initiatives. The vast majority of these conservation funds were dedicated to supporting development, management and awareness programs for locally-managed marine conservation areas. Only PGK 1.9 million (USD 825, 108) in funds was dedicated to activities that were not directly related to environmental conservation programs and the majority of this amount was committed to just one project: the creation and airing of a radio serial drama that addresses various social issues in PNG.

Summary

The Packard Foundation provides funding for initiatives which support national development priorities in many countries around the world. In Papua New Guinea, however, the foundation almost exclusively supports operations which ignore social and economic development priorities. The Foundation does not make its funding criteria public for its major programs; nor does it accept unsolicited grant applications. It is therefore not possible to assess whether economic development is assessed prior to grant awards. Most funding, however, is for conservation activities and advocacy.

4.3.3 Interchurch Organisation for Development Cooperation (ICCO)

Background

The Inter-church Organisation for Development Cooperation (ICCO) was established by Protestant Christian churches and social organisations in the Netherlands to address global issues of poverty and social injustice. Today it is independent of the churches and is one of six Dutch co-financing organisations that receive funding from the Dutch Government and European organisations to provide funding and operational support to programs in developing countries. The foundation started work in the Pacific region in 1975 and today supports initiatives in three Pacific Island countries: Papua New Guinea, Solomon Islands and Fiji.

Programs

Globally, the ICCO supports initiatives that fit into three program areas: Basic Social Services (education, healthcare including HIV/AIDS, water and food security); Fair Economic Development (support for 'sustainable' economic enterprises including those in agriculture and natural resources); and Democratisation and Peace Building (including human rights). It is ICCO policy to match one of these three program areas and a sub-program, when necessary, to each country (or region of small nations in the case of the Pacific Islands).

ICCO's primary theme in the Pacific is 'Fair Economic Development,' while 'Peace building and democratisation' is a sub-theme.⁹⁴ Under the banner of Fair Economic Development, the ICCO has made a policy commitment to adopt sustainable forest use (SFU) as a major strategy for poverty alleviation in the Pacific region.⁹⁵ As such, ICCO has focused the majority of its funding to PNG on supporting organisations in the promotion of land rights, sustainable forest management, community-based production and marketing of timber and other forest products, training of landowners, certification of forest management, environmental lobbying and advocacy work.⁹⁶

Budgets & Funding Recipients

In 2010, ICCO's global program expenditures were PGK 297.7 million (USD 115.3 million). This figure was significantly lower than in previous years, due in part to major budget cuts by the Dutch Ministry of Foreign Affairs, which has been ICCO's principal financial supporter.⁹⁷ As of 2006, the ICCO supported 12 organisations in PNG, 4 in the Solomon Islands and 2 in Fiji. The majority of funding for the Pacific Program is focused on Papua New Guinea. The following table provides estimates of ICCO funding to PNG NGOs for the period 2002 – 2009.

⁹⁴ Kessler, J.J., Wakker, E., Subendranathan, V. (2006), op.cit., p.4

⁹⁵ Kessler, J.J., Wakker, E., Subendranathan, V. (2006), op.cit., p.4

⁹⁶ Kessler, J.J., Wakker, E., Subendranathan, V. (2006), op.cit., p.31

⁹⁷ Terra Viva Grants Directory (2012), *Grant-makers: Foundations and NGOs*, Viewed 1 May, <<http://www.terravivagrants.org/Home/view-grant-makers/foundations-and-ngos/interchurch-organization-for-development-cooperation>>

4.3.4 Table: ICCO funding to NGO initiatives in PNG 2002 - 2009

| Year | Grantee | USD | PGK | Operational focus |
|------|---|----------------------|-------------------|--|
| 2002 | Conservation Melanesia | 749,006.75 | 1,736,625.90 | Eco forestry, Legal assistance |
| 2002 | PNG Eco Forestry Forum | 2,539,132.88 | 5,887,161.79 | Campaigning, lobbying |
| 2002 | Environmental Law Centre | 793,947.15 | 1,840,823.45 | Legal Assistance |
| 2002 | FORCERT | 796,443.84 | 1,846,612.21 | Eco-timber trade |
| 2002 | Foundation for People & Community Development | 496,841.14 | 1,151,961.85 | Eco forestry, community development |
| 2002 | Horizont 3000 | 699,072.97 | 1,620,850.84 | Capacity building |
| 2002 | Melanesia Organisational Development | 466,880.87 | 1,082,496.81 | Capacity Building |
| 2002 | Melanesian NGO Centre for Leadership | 274,635.81 | 636,762.83 | Capacity building |
| 2002 | Research & Conservation Foundation | 649,139.18 | 1,505,075.78 | Eco forestry, community development |
| 2002 | Village Development Trust | 1,690,258.57 | 3,918,985.78 | Eco forestry, community development |
| 2002 | Bismarck Ramu Group | 2,359,371.26 | 5,470,371.58 | Eco-forestry, community development |
| 2002 | CELCOR | 347,039.79 | 804,636.67 | Legal assistance, campaigning |
| 2006 | Research & Conservation Foundation | 440,684.04 | 1,021,757.58 | Crater Mountain Wildlife Management Area |
| 2006 | FORCERT | 268,790.77 | 623,210.70 | Forest Certification Activities |
| 2008 | FORCERT | 392,815.43 | 910,770.76 | Forest Certification Activities |
| 2009 | FORCERT | 438,378.48 | 1,016,411.96 | Forest Certification Activities |
| | TOTAL FUNDING | 13,402,438.96 | 31,074,516 | |

Sources: Kessler, J.J., Wakker, E., Subendranathan, V. (2006), *Evaluation of ICCO's Pacific Programme 2002-2005 – Final Report*, AIDEnvironment, Amsterdam March, p.5; Forest Management and Product Certification (2010), *Annual Reports 2006 – 2009*, viewed 10 May 2012, <<http://www.forcert.org.pg/resources/articles-reports-a-links.html>>; Research and Conservation Foundation of PNG (2007), *Annual Reports 2005 – 2007*, viewed 10 May 2012, <http://www.rcf.org.pg/annual_reports.htm>

When adjusted for inflation, the ICCO's estimated funding to NGO initiatives in PNG between 2000 and 2009 was PGK 44.4 million (19.5 million).⁹⁸ Between 2002 and 2009 approximately 88 per cent of estimated funding was dedicated to conservation- and environment-related programs. Only 12 per cent of these funds were committed to activities that did not directly assist environmental initiatives.

Summary

The ICCO Pacific program ignores its own commitment to addressing 'fair economic development' by almost exclusively funding environmental initiatives in the region including eco-forestry projects, environmental legal support and training, community development activities and environmental campaigning. Support for such activities in PNG has failed to have any meaningful impact on development and poverty alleviation and the strategic decision to support these efforts over those that address social issues such as health and education or even infrastructure is guided more by ICCO internal policy than PNG's development needs. This policy appears to align closely with an international NGO agenda to limit commercial forestry in developing countries. An internal program review, which recommended that the ICCO improve its attention to "opportunities and threats in the Pacific other than sustainable forest use,"⁹⁹ lends weight to claims that the organisation is not effectively contributing to social and economic development in PNG.

⁹⁸ Between 2002 and 2005 ICCO funding for initiatives in PNG represented 73% of ICCO's spend in the Pacific region. By applying this ratio to ICCO's spend in the Pacific in 2000 and 2001 (Annex 1, 7.5) we can estimate ICCO's PNG expenditure in those years.

⁹⁹ Kessler, J.J., Wakker, E., Subendranathan, V. (2006), op.cit., p.26

4.3.5 Rainforest Foundation Norway

Background

The Rainforest Foundation Norway (RFN) was established as a member-based organisation in 2003 by five Norwegian environmental NGOs. RFN's explicit purpose is to "support initiatives which contribute to the effective protection of the world's tropical forests and the rights of the inhabitants of these forests."¹⁰⁰ The foundation advocates a rights-based approach to rainforest management and protection and does this by supporting community-based conservation initiatives, lobbying for change to resource and land policies, and raising awareness of conservation issues. RFN's consolidated goal is the implementation of rights-based sustainable rainforest management in all countries where the organisation has been active for more than five years.¹⁰¹

Programs

RFN currently runs six major programs: two for advocacy and fundraising initiatives and four divided by geographical regions: Amazon, Southeast Asia, Oceania and Central Africa. These programs support projects in ten countries and work with over 100 local partners.¹⁰² RFN claims to have started working in PNG in 1997, before it was transformed into a member-based organisation. Funding support focuses mainly on conservation, campaigning, advocacy and securing community land rights. Key RFN projects include the PNG Eco Forestry Forum legal challenge to logging in the rainforest of Kamula Doso; the expansion of conservation areas on the Managalas Plateau with Partners with Melanesians; and the rejection of proposed palm oil plantations along PNG's north coast.¹⁰³

The RFN strategy for the Oceania Region 2008 – 2017 commits all funding to the development of rights-based, sustainable rainforest management in PNG. It also assigns both geographical and thematic priorities to the program.

Geographical priorities are:

- Expansion of conservation areas in forested regions of Central New Guinea. According to RFN, these areas are currently outside the reach of logging companies.¹⁰⁴
- Expansion of conservation areas in land adjacent to RFN's current project site – the Managalas Plateau. RFN claims this will "make access difficult for companies that may want to start mineral exploration and mining in the hinterlands."¹⁰⁵
- Stopping logging operations and developing alternative sources of income in areas of Western Province including Mount Bosavi and the Great Papuan Plateau.

¹⁰⁰ Norwegian Agency for Development Co-operation (2007), op.cit., p.3

¹⁰¹ Norwegian Agency for Development Co-operation (2007), op.cit., p.4

¹⁰² Rainforest Foundation Norway (2011), *Rainforest Foundation Norway*, Viewed 1 May, <<http://www.regnskog.no/languages/english/rainforest-foundation-norway>>

¹⁰³ Rainforest Foundation Norway (2010), op. cit., p.16

¹⁰⁴ Rainforest Foundation Norway (2007), *Rainforest Foundation Norway Strategy 2008-2017*, Oslo, June 20, p.22

¹⁰⁵ Rainforest Foundation Norway (2007), op. cit., p.22

Thematic priorities:

- Continued focus on legal work in PNG.
- Capacity building among local NGOs
- Increase advocacy work among partner NGOs. RFN claims this has only been explored to a limited degree until now because of a lack of resources.¹⁰⁶
- The creation of a national NGO network to improve cooperation between local organisations.

Budgets and Funding

The vast majority of RFN revenues are funding commitments from the Norwegian Government, mainly through the Norwegian Government Agency for Development Cooperation (NORAD). RFN also receives funding from a number of significant private donors including the Rainforest Foundation Fund and the Swedish Education project, *Operation Dagsverk* (OD).¹⁰⁷ Annual contributions amounted to PGK 114.3 million (USD 38 million) for the period 2003 – 2007¹⁰⁸, but have been boosted in recent years reaching PGK 48.7 million (USD 18.6 million) for 2009 alone.¹⁰⁹

From a budget of PGK 48.3 million (USD 18.4 million) for 2009, PGK 13.2 million (USD 5 million) in funding was dedicated to the Asia/Oceania program, which oversees activities in PNG.¹¹⁰ Funding patterns for the region from 2003 to 2009 reflect the growing importance of Asia/Oceania to the RFN program. Records indicate the total budget for the Asia program developed from approximately PGK 4.8 million (USD 1.4 million) in 2003 to PGK 7.5 million (USD 2.7 million) in 2007.¹¹¹ Between 2007 and 2009, this funding almost doubled again.

In 2006 approximately PGK 2.9 million (USD 1.03 million) of the Asia/Oceania program budget was spent on supporting 'rights-based' forest management initiatives in PNG. By contrast, roughly PGK 3.5 million (USD 1.2 million) was spent in Indonesia and only PGK 469,987 (USD 164,371) in Malaysia that year.¹¹²

RFN claims to have built long term relationships with a small number of local NGOs in PNG. These include CELCOR, The Environmental Law Centre (ELC), PNG Eco Forestry Forum, the Bismarck Ramu Group and Partners with Melanesians. RFN considers CELCOR their 'main partner in PNG'.¹¹³

¹⁰⁶ Rainforest Foundation Norway (2007), op.cit., p.25

¹⁰⁷ Norwegian Agency for Development Co-operation (2007), op.cit., p.64

¹⁰⁸ Norwegian Agency for Development Co-operation (2007), op.cit., p.64

¹⁰⁹ Rainforest Foundation Norway (2010), op.cit., p.27

¹¹⁰ Rainforest Foundation Norway (2010), op.cit., p.27

¹¹¹ Norwegian Agency for Development Co-operation (2007), op.cit., p.67

¹¹² Norwegian Agency for Development Co-operation (2007), op.cit., p.63

¹¹³ Norwegian Agency for Development Co-operation (2007), op.cit., p.20

Summary

RFN is a rainforest conservation organisation and as such its funding is directed solely to PNG initiatives that seek to conserve the nation's forest resources and oppose the development of the commercial forestry industry. These initiatives ignore the fact that poverty is the major driver of deforestation in developing countries. The RFN does not fund initiatives in PNG that address poverty, health, education and the need for improved infrastructure. Funding is instead directed to local groups including EFF, CELCOR and BRG to support initiatives which block and disrupt PNG's resource industries and stall economic development.

4.4 It's a small world: PNG's anti-development community

Research for this report shows that support from international foundations and green groups is generally directed towards a handful of activist NGOs in PNG including CELCOR, BRG, EFF and PwM. This is no surprise. These organisations are run by Papua New Guineans with direct working experience in international NGOs including Greenpeace and WWF. Financiers prefer to send money to people whom they trust are working towards the same goals.

Known local environmentalists and activists such as Effrey Dademo (Act Now), Kenn Mondiai (PNG EFF, PwM), Damien Ase (CELCOR), Sam Moko (Greenpeace), John Chittoa (BRG) and Thomas Paka (PNG EFF) have a long history of association with international NGOs.

Kenn Mondiai worked for WWF in PNG prior to assuming his position as Chairman of the EFF Board. Sam Moko was also a WWF conservation and community outreach officer up until 2005. Thomas Paka and John Chittoa previously worked as environment officers with the UNDP, whose activities in PNG are heavily influenced by international NGOs.

Trained by international NGOs, these leaders have aligned their local organisations with a western agenda that prioritises conservation objectives over PNG's national development goals. In a number of cases, these groups are receiving direct operational instruction from Greenpeace, WWF, ACF and the like. This report shows that by aligning with these international NGOs, PNG activist NGOs ensure that financial support continues to flow in from Australia, the US and Europe to fund their activities and pay their salaries.

The relationship between international and local activist NGOs is formalised through umbrella organisations such as the PNG Eco-forestry Forum and FORCERT. These member organisations bring local NGOs and international groups (Greenpeace, WWF and the Nature Conservancy are the only international members) together under one roof. Funds are pooled and unified campaigns can be directed by international members and guided by conservation goals rather than development objectives.

Commitment to a common - albeit western-influenced - goal no doubt makes it easier for PNG's activist NGOs to work together, as they do on most major environmental campaigns in PNG. Perhaps more significantly, it ensures that a steady flow of international funding into PNG's activist community is maintained.

5. Conclusion & Recommendations

5.1 Conclusion

Western environmental campaigners have been successful in nominating 'prize' areas for conservation. These include the Brazilian Amazon, Sumatra's rainforest areas, and Canada's boreal forests.

These same campaigners have attempted to make Papua New Guinea a similar prize in the Pacific.

Papua New Guinea fulfils many of the ideals that lie at the core of the Western conservation movement. Its forest cover is high. It has a number of unique species. It is relatively isolated. It therefore retains a mystique of an 'untouched paradise' in the middle of a region that has undergone rapid economic development.

More importantly for environmental campaigners, levels of industrialisation and economic development are low. Its population is fragmented by language and geography, making rapid economic progress difficult. Land tenure is problematic, which poses problems for large-scale resource extraction –for which Papua New Guinea has great potential.

There is a belief within the environmental movement that Papua New Guinea should be 'saved' from the supposed evils of industrialisation.

To ensure this salvation campaigners have constructed any number of narratives about the misdeeds about foreign corporations operating in PNG, whether in the forestry, mining or agricultural sectors.

But this zealous attitude has ultimately blinded these campaigners – and their supporters – to the vast social and economic challenges that Papua New Guinea faces, from law and order to health and education.

There is also a belief among environmental campaigners that a pristine environment will somehow solve other social and economic problems, and that general wellbeing can be generated from sustenance livelihoods. Worse, there is an attitude from some ecologists that reducing population growth in Papua New Guinea will be its salvation.

This is both misguided and cruel. Good environmental management needs to be paid for, and this can only happen after economic development.

Many anti-development campaigners would have PNG turned into something resembling a museum, or at worst, a zoo. This would deprive PNG's citizens of humanity's better achievements: modern healthcare, broad education and liberation from poverty. PNG's citizens deserve better than what Greenpeace and WWF have to offer.

5.2 Recommendations

The data and research in this report indicates that there are large amounts of funding going into Papua New Guinea that are being used primarily for what could be considered the interests of NGOs in industrialised societies.

The report shows that:

- A number of high-profile local campaign groups on the ground in Papua New Guinea have their objectives dictated by overseas funders;
- International NGOs working on the ground in PNG are working directly against PNG's national development goals;
- Funding organisations have skewed programs away from PNG's development goals.

ITS Global therefore recommends that:

- PNG-based NGOs exhibit greater transparency in their programs, specifically naming overseas entities that are funding programs;
- International NGOs working in PNG undertake an annual self-assessment of their programs on the ground that assesses the alignment of their activities with PNG's development goals;
- International donors that are funding programs in PNG assess grant applications against PNG's development goals and prioritise them accordingly.

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7. Annex 1: Tables & Figures

7.1 Official development assistance to PNG in 2010

| Sector | Australian aid (PGK millions) | Total aid (PGK millions) |
|---|-------------------------------|------------------------------|
| Social infrastructure and services | 702.5 (USD 272.2) | 932.39 (USD 361.3) |
| Economic infrastructure and services | 153 (USD 59.29) | 239.39 (USD 92.76) |
| Production sectors | 39.9 (USD 15.11) | 98.57 (USD 38.19) |
| Multi-sector/cross cutting | 138.38 (USD 53.62) | 182.52 (USD 70.72) |
| Other | 14.89 (USD 5.77) | 41.43 (USD 16.05) |
| Total aid | 1,047.75 (USD 406.01) | 1,494.31 (USD 579.06) |

Source: Organisation for Economic Co-operation and Development (2012), *Creditor Reporting System Database, International Development Statistics*, viewed 24 April, <<http://stats.oecd.org/Index.aspx?datasetcode=CRS1>>

7.2 Summary of GEF-approved national projects in PNG since 1991 (USD)

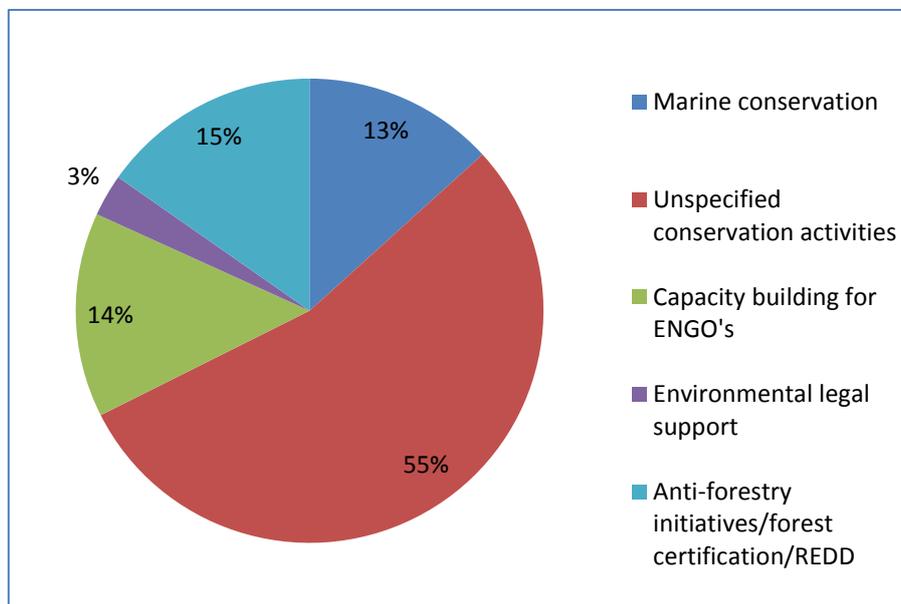
| Focal Area | GEF Grant | Co-financing Total | Number of Projects |
|--------------------|-------------------|--------------------|--------------------|
| Biodiversity | 32,282,000 | 55,878,000 | 5 |
| Climate Change | 2,246,691 | 7,130,600 | 3 |
| Multi Focal Area | 200,000 | 32,000 | 1 |
| Grand Total | 34,728,691 | 63,040,600 | 9 |

*Records indicate that two of these projects were cancelled.

Source: Global Environment Facility (2012), *Country profile for Papua New Guinea*, viewed 20 April, <www.gefonline.org/Country/CountryDetails.cfm>

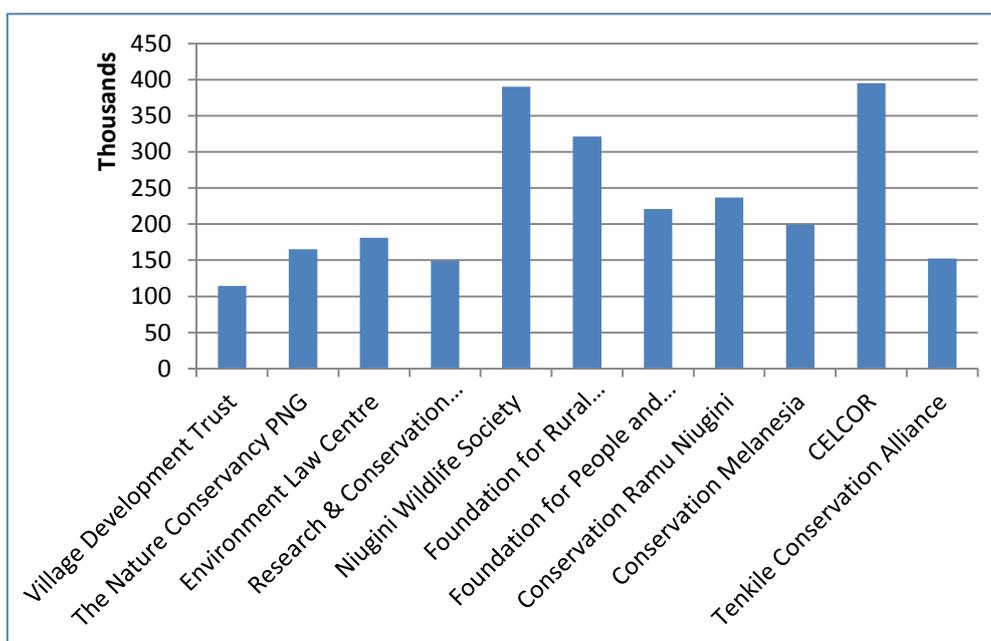
7.3 GEF SGP Small Grants to PNG NGOs, 2000 - 2012

7.3.1 GEF SGP funding by activity



Source: ITS Global, GEF Small Grants Programme Database (2006), *GEF SGP Projects Database*, viewed 1 May, <<http://sgp.undp.org/index.cfm?module=Projects&page=AdvancedSearch>>

7.3.2 Leading PNG recipients of GEF SGP funding 2000 - 2011 (PGK, thousands)



Source: ITS Global, GEF Small Grants Programme Database (2006), *GEF SGP Projects Database*, viewed 1 May, <<http://sgp.undp.org/index.cfm?module=Projects&page=AdvancedSearch>>

7.4 ICCO funding to the Pacific region 2000 to 2005

| Year | Number of partners | Budget realised (PGK, 000) | Average per organisation (PGK, 000) |
|------|--------------------|----------------------------|-------------------------------------|
| 2000 | 21 | 8,569 (USD 3,117) | 408 (USD 148) |
| 2001 | 16 | 9,824 (USD 2,944) | 614 (USD 184) |
| 2002 | 11 | 7,488 (USD 1, 955) | 681 (USD 178) |
| 2003 | 12 | 4,178 (USD 1, 208) | 348 (USD 101) |
| 2004 | 14 | 3,679 (USD 1,147) | 263 (USD 82) |
| 2005 | 20 | 4,852 (USD 1,604) | 243 (USD 80) |

Source: Kessler, J.J., Wakker, E., Subendranathan, V. (2006), *Evaluation of ICCO's Pacific Programme 2002-2005 – Final Report*, AIDEnvironment, Amsterdam March, p.5